THE EFFECTS OF THE EXPIRATION OF THE MULTIFIBRE AGREEMENT (MFA) ON NIGERIAN TEXTILE INDUSTRY; 2005 - 2015: A FOCUS ON NICHEMTEX IKORODU, LAGOS AND TOFA TEXTILE INDUSTRY, KANO

BY

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A Dissertation Submitted to the School of Postgraduate Studies, Ahmadu Bello University (ABU), Zaria, in partial fulfillment of the requirements for the award of The Doctor of Philosophy (PhD) Degree in Political Science

DECEMBER, 2017

DECLARATION

I, Aliyu Tanko, AHMED do humbly declare that to the best of my knowledge, this Thesis is the product of my original research efforts and it has not, to the best of my knowledge, been submitted to any university for examination and all the sources consulted have been properly and duly acknowledged.

_____ _____

Aliyu Tanko, AHMED Date

APPROVAL

This Thesis titled: The Effects of the Expiration of the Multi Fibre Agreement on Nigeria Textile Industry: A Focus on NICHEMTEX Limited Ikorodu Lagos; and Tofa Textiles Industries, Kano 2005 – 2015 written by Aliyu Tanko AHMED meets the requirements and regulations governing the award of PhD Degree in the Department of Political Science and International Studies, Faculty of Social Sciences, Ahmadu Bello University, Zaria and is hereby approved for its contribution to knowledge and literary presentation.

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DEDICATION

With special gratitude to the Almighty God, I dedicate this thesis to my parents and teachers at all levels who sacrificed their human and material resources by impacting positively sound knowledge and inculcation of good character to confront the challenges of contemporary world and Nigeria in particular. May God reward and provide them with what is sufficient and best for mankind both here and hereafter (Ameen).

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be taken care of. Meanwhile, I insist that this study is a collective effort. To others whose names are not mentioned here, I owe you all deep appreciation for all your support morally and materially.

LIST OF ACRONYMS

AMS- Aggregate Measurement of Support (In Agreement on Agriculture)

ATC Agreement on Textiles and Clothing

BISD- Basic Instrument and Selected Documents (Published By GATT)

CCC- Custom Co-Operation council

CET- Common External Tariff

CMEA- Council for Mutual Economic Assistance

CTG- Cotton Textile Garment

DFTT- Double Functional Terms of Trade

DOTS- Direction of Trade Statistics

DSB- Dispute Settlement Body

EU- European Union

FAO- Food and Agriculture Organization of the United Nation

FDI- Foreign Direct Investment

FMTCN- Federal Ministry of Trade and Commerce and Nigeria.

GATS- General Agreement on Trade in Services

GATS1994- General Agreement on Trade in Service 1994

GCL- General Cotton Limited

AGOA- African Growth and Opportunity Act

HCDCS- Harmonized Commodity Description and Coding System

IBTT- Income Barter Terms of Trud

IMF- International Monetary Fund

IPR- Intellectual Property Right

ISO-	International Organization of Standardization
ISO/IEC-	Iso/International Electrotechnical Commission
LTIL-	Lazeh, Textile Industries Limited
LDC	Low Developing Countries
MAN-	Manufactured Association of Nigeria
MFA-	Multifiber Agreement (Arrangement Regarding International Trade in Textiles)
MFN-	Most Favored Nation
MTS	Multi-lateral Trading System
MO-	Modus Operation
NAMA	Non Agriculture Market Access
NBTT-	Net Barter Terms of Trade
NDCC	Negotiable Duty Credit Certificate
NIC	Newly Industrialized Countries
NIRP-	Nigeria Industrial Revolution Plan
NSDC-	Nigeria Spinners and Dyers Limited
NTM-	Nigeria Textile Mills
PGE-	Permanent Group of Experts (In Agreement On Subsides and Countervailing Measures)
PPP	Public Private Partnership
SAP-	Structural Adjustment Programme
SCM-	Subsides and Countervailing Measures
Secretariat-	Secretariat of the Customs Co-Operation Council
SFTT-	Single Functional Terms of Trade

SSG- Special Safeguard (In Agreement on Agriculture

ST- Special Treatment (In Annex 5, Agreement on Agriculture)

TMB- Textiles Monitoring Body

TFA Trade Facilitation Agreement

TPR Trade Policy Review

TPRB- Trade Policy Review Body

TPRM- Trade Policy Review Mechanism

TRIM$_S$- Trade-Related Investment Measures

TRIPSTRADE Related Aspects of Intellectual Property Rights

TSB- Textiles Surveillance Body

UNTL- United Nigeria Textile Limited

UTL- United Textile Limited

UTT- Utility Terms of Trade

WIPO- World Intellectual Property Organization

WORLDBANK- International Bank for Reconstruction and Development

WTOAGREEMENT- Agreement Establishing the World Trade Organization

WTO- World Trade Organization

ABSTRACT

Quantitative restrictions to limit international trade in certain goods have existed for a long time but in no sector have they been as common and broadly applied as in the textile and clothing industries. It was on this basis that World Trade Organization (WTO) and General Agreement on Tariffs and Trade (GATT) were established as multilateral institutions to regulate trading activities. The Multi Fiber Agreement/Arrangement (MFA), was meant to regulate the legal framework on textile and clothing industries for the period 1974-2005by imposing quotas on textiles exports from developing countries. The MFA existed in phases with 2005 the expiration date. The expiration of MFA in 2005 has produced mixed and divergent consequences on textile industries in developing countries. It is against this background that this study examines the effects of the expiration of MFA on Nichemtex and Tofa textile industries, Nigeria; 2001-2015. The study attempted to achieve the following objectives: To identify the nature of the expiration of the Multi Fibre Agreement (MFA);to examine the effects of the expiration of the Multi Fibre Agreement (MFA) on Tofa and Nichemtex Textile industries; to ascertain the contributions of Nichemtex and Tofa textile industries Nigeria Limited to employment generation and foreign earnings to Nigeria's economy; 2001-2015; to ascertain the challenges faced by Nichemtex and Tofa textile industries Nigeria Limited as a result of the expiration of MFA; 2001-2015; and to identify possible solutions to the challenges faced by Nichemtex and Tofa textile industries Nigeria Limited. The study thematically and theoretically reviewed related and relevant literature in addition to examination of empirical studies in line with the objectives of the research. The study adopted neoliberalism as its theoretical frame of analysis. This study relied on both primary data, using the techniques of FGDs, In-depth interview and Questionnaire and secondary sources of data where data were sourced from books, journals, documents and internet materials to complement the primary data. The study used Taro Yamani formula to arrive at 800 questionnaire administered to both Nichemtex and Tofa textile industries out of which 663 were returned valid and used for the analysis of this study. From the analysis of the survey data generated which was complemented with secondary data, the study made the following findings: The aggregated data from both Nichemtex and Tofa textile industries have to a large extent, shown that their findings are similar compared to the earlier findings at the MPhil study. The study also reveals that the secret behind the success of some textile industries in developing countries was partly because of the existence of Textile Research Association and institutions established to provide current and relevant data to textile industries which is absent in Nigeria. The study has also shown that the crises in textile industries in Nigeria are essentially internally induced due to the inability of the Nigerian state to provide institutional and insfrastructural framework as argued by neoliberal scholars.. It is based on this that the study made some recommendations and plans for policy implementation which must involve both government and private sector initiatives.

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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background to the Study

The history of trade in retrospection since human beings became engaged in trading activities shows that quantitative restrictions on international trade in certain goods have existed for a long time but in no sector have they been as common and broadly applied as in the textile and clothing industries. Hence, according to Naumann (2006) no other sector has seen such a rigid institutionalization of quantitative restrictions which have had very far reaching intended and unintended consequences like the textile sector. In fact, quotas in this sector have been the common denominator that have shaped the development path of textile industries in both developed and developing countries. It was on this basis that World Trade Organization (WTO) and General Agreement on Tariffs and Trade (GATT) were established as multilateral instruments to govern international trade on textile and clothing.

What is known today asthe Multi Fiber Agreement (MFA) or Multi-Fiber Arrangement as it is sometimes called is, an agreement that was meant to provide the legal framework which had its root in these institutions, (WTO and GATT). The Agreement on Textiles and Clothing (or the Multi-fiber Agreement, hereinafter referred to as "MFA") provided regulation for the textile and clothing industry during the period of 1974 to 2004 by imposing quotas on textile exports from developing countries. For many decades, international trade policy utilized quantitative restrictions on imports as a means of achieving specific developmental outcomes (Naumann, 2006). This form of protection provides a limited shield to local industry in the developed countries as against foreign competition which would have otherwise been the case if foreign goods were to compete freely on the domestic market.

In the globalized age of the late 20th and early 21st centuries, the world entered a new fast-paced era of international trade where global trade that was before dominated by the developed or so-called North-North trade, saw developing countries stepping into the ring, poised for a competitive place in the arena.After long years of colonization, most third world countries at independence were confronted with the challenge of industrialization and development. However, the Textiles and Clothing (T&C) industry was considered a viable sector these countries also produced the raw materials (cotton) that were also required. Textile and Cotton thus became a major export sector and one that was vital for their economic development (Ernst, et al., 2005:12). Many developing countries became highly dependent on textile and apparel exports which often accounted for a significant share of their total industrial goods export. Consequently, the export earnings created a high degree of dependency on this sector (E.U. 2003b: 1, 8). Also, because it was labour intensive, the industry provided large scale employment. It required a large number of unskilled workers, including a high share of female workers. Globally, the T&C industry was until recently, the only major manufacturing industry that was not subject to the rules of the General Agreement on Tariffs and Trade (GATT).

The Multi Fibre Agreement was meant to function as a kind of aid extending profits from the worldwide clothing trade to poor countries. In 1994, as part of the final commitments agreed to by the Uruguay Round, the MFA was annulled and replaced by the Agreement on Textile and Clothing(ATC) which came into effect January 1, 1995. Under this agreement, the elimination of quotas allowed countries like Bangladesh to gain 2.9% and Turkey5.2% of the larger market share in the global clothing industry where hitherto, they had very little gain. It is now imperative on us to ask why was it difficult for Nigeria to gain a similar share of the global market. Part of the reason why countries like Bangladesh gained a larger market share was because they had developed their industrial capacity to produce garments on a larger

scale during the MFA period and was therefore able to optimize production after the elimination of quotas. This was accomplished by harnessing its high labour supply and maintaining a downward pressure on wages. With the elimination of the Multi-Fiber Arrangement on 1 January 2005, some countries benefitted and while some suffer.

This removal impacted on textile industries especially on Textile/Apparel Trade and cotton production in both developed and developing countries. Instead, it was subject to the extensive application of quotas by the major importing countries, known as the Multi-Fibre Arrangement (MFA). At the end of the Uruguay Round, it was agreed that countries wishing to retain quotas would undertake to phase them out gradually, with the last quotas being lifted on 1 January 2005. The end of the MFA in 2005 would change international trade significantly and lead to a restructuring of the sector worldwide. This restructuring process would result in major employment shifts within and between countries. The question of whether textile industries in Nigeria have been able to generate such employment constitutes part of the basis for this study.

Multi Fibre Agreement emerged which from (GATT) and transformed into WTO's Agreement on Textile Clothing from 1995. It was originally designed to protect the textile sector of importing countries, cause an increase in textile & apparel prices in importing countries, a decrease in the prices in exporting countries and a reduction in trade volume. However, by January 2005, all MFA Quotas were removed. This removal impacted on textile industries especially on Textile/Apparel Trade and cotton production both in advanced and advancing nations. Instead, it was subject to the extensive application of quotas by the major importing countries, known as the Multi-Fibre Agreement. Atthe endof the UruguayRound, it was supported that countries wishing to retain quotas would phase them out gradually, with the last quotas being lifted on 1 January 2005. The end of the MFA in 2005 would change

international trade significantly and lead to a restructuring of the sector worldwide. This restructuring process resulted in major employment shifts within and between countries, In particular, the question of whether textile industries in Nigeria have been able to generate such employment constitutes part of the basis on which this research stands.

1.2. Statement of Research Problem

The phasing out or expiration of the Multi-Fibre Agreement (MFA) in 2005 marked the end of protectionism in the textile industry and ushered in tremendous opportunities as well as uncertainties for the textile industries in developing countries. Trela and Whalley (1990) asserted that almost all developing countries suffered from the expiation of MFA. They showed that developing countries could increase their exports by several hundred per cent if the MFA was lifted. It is therefore necessary to interrogate effects of the expiration of the MFA on developing countries like Nigeria.

The study therefore, examines the effects of the expiration of the Multifibre Agreement (MFA) on Nigerian textile industry from 2005 to 2015 with a focus on Nichemtex Ikorodu Lagos and Tofa Textile Industry Kano. The choice of the period was to reflect when MFA actually expired and the choice of these two industries is based on the fact that they are both located in the commercial nerve centres of the country and they are both subjected to the same environment and policies. In addition, this study wants to ascertain the nature of the similarities and differences between them under the expiration of the MFA.

The Multi Fibre Agreement (MFA) and the system of bilateral quotas that had governed the global trade in textiles and apparel for the past forty years came to an end and were replaced by the Agreement on Textiles and Clothing (ATC) on 1st January, 2005. Textile and Clothing are also among the sectors where developing countries have gained the most from multilateral trade liberalization. The MFA imposed quotas on the amount developing countries could export to developed countries which resulted in job and export loss in developing countries. MFA

was not compatible with free trade philosophy and went against the basis governing the multilateralsystem, and so excising it was supported.

The dismantling of quota restrictions had brought about significant changes in the structure of worldwide trade in textiles as there are no quota barriers for the export of textiles and apparels and the hitherto protected textile industry would be exposed to international competition. It has been argued by some scholars that the expiration of the MFA has caused somany textile companies in the African continebt to be closed down, hence,job losses have occurred (Tandrayen Ragoobur and Ayrga, 2012).

It was thus a happy moment for developed countries as Smith (NA) argued that the conclusion

of the Uruguay Round in 1994, the MFA thread of protectionism was finally severed. But whether this severance brought any positive benefits to developing countries like Nigeria still constitute a subject for verification. The phasing out of the MFA has gradually subjected textiles and clothing to normal WTO rules. Hence, exporters have faced increased competition from previously quota constrained and more competitive countries.

One of the ironies of Nigeria‘s industrialization is the precipitous decline of manufacturing industries, especially the textile sub sector. There was a time when the textile mills represented the apogee of Nigeria’s manufacturing prowess with high quality products exported all over the world. For example, in the 1980’s, Nigerian textile industry was the 3rd largest inAfrica

after Egypt and South Africa. Moreover, it was the largest employer of labour in the production sectore, reportedly offering direct employment to more than 350,000 workers at its peak. With Kaduna, Kano and Lagos as the hub, the country boasted over 175 mills in the 1980s and 1990s. Its contribution then amounted to 14 percent of the Gross Domestic Product (GDP). Today, all that remains are carcasses of abandoned and dilapidated mills littered across the country. The fortunes of the textile industry started plummeting in the

mid-1990s due to neglect and policy inconsistencies and by the late 1990s, the country's business climate became so unfriendly that many had been coercedto shutdown or even relocate to some other nations with more favourable economic and political environment.

By1997 the situation was made worse, when the Federal Government lifted the ban on textile importation thereby depleting the number of garment factories to only 35 in 2015 from a peak of 175 in the 1990s. However, rather than protect the local industry, the government's decision to check the indiscriminate importation of cheap textile materials has not changed the situation, as porous country borders have allowed for smuggled goods to come in.

About sixty studies and reports from a wide range of governmental and non-governmental organizations were reviewed in an effort to ascertain the impact of quota elimination on individual countries. These materials reflect a range of methodologies: some conducted original research, many cited existing research, and some are based on the opinions of industry leadersand academic professionals. None of these included Nigeria's textile industries even though the sector constitutes a fundamental sector of the economy in terms of contribution to GDP and employment of labour. Hence, the need to conduct this study

In addition, the exclusion ofquotas is to havepolitical, social and economic implications forthe economies of the country involved. For instance, politically, it islikely to test the ability ofthe WTO toinfluence MultinationalCorporation's traditional agreement. Consumers stand to gain benefits from a welfare gain due to lower prices. There is also the need to examine these implications in the Nigerian context.

Despite voluminous literature on the phase-out of multifibre agreement and its impact on the textile and apparel sector, it still remains controversial. Several authors have reported on the economic gain of the quota elimination and its effect on textile and apparel trade, particularly with reference to Asia, Europe and Latin America.

In addition, no study has demonstrated a strong causal linkage between the elimination ofthe MFA andthe predicaments oftextile andapparel sector in Africa and in particular Nigeria. Therefore, this study intends to fill this gap.

It is against this backdrop that this study investigates the effects ofthe expiration ofthe Multifibre Agreement (MFA) on Nigeriantextile companies from 2005 to 2015 with a focus on Nichemtex, Ikorodu, Lagos and Tofa Textile Industry, Kano.

1.3 Research Questions

i. What is the nature of the expiration of the Multi Fibre Agreement?

ii. To what extent has the expiration of the Multi Fibre Agreement (MFA) affected Nichemtex and Tofa Nigeria's textile industries between 2005-2015?

iii. To what extent has the expiration of the Multi Fibre Agreement (MFA) affected the contributions to the employment generation and foreign earnings to Nigeria's economy from Nichemtex and Tofa Nigeria's textile industries between 2005-2015?

iv. What are the challenges faced by Nichemtex and Tofa textile industries Nigeria Limited as a result of the expiration of MFA?

v. What are the possible solutions to the challenges faced by Nichemtex and Tofa textile industries due to the effect of the expiration of MFA?

1.4. Aim and Objectives of the Study

The aim of the study is to examine the effects of the elimination of Multi Fibre Agreement (MFA) on Textile Industries in Nigeria 2005-2015 by focusing on Nichemtex Ikorodu, Lagos and Tofa Textile industry Kano. In the end, the study will contribute to the existing body of knowledge on MFA and its effects on textile industries in developing countries. The specific objectives are stated thus:

i. To identify the nature of the expiration of the Multi Fibre Agreement (MFA).

ii. To examine the effects of the expiration of the Multi Fibre Agreement (MFA) on Tofa and Nichemtex Textile industries.

iii. To ascertain the extent to which the expiration of the Multi Fibre Agreement has affected the contributions of Nichemtex and Tofa textile industries Nigeria Limited to employment generation and foreign earnings of Nigeria's economy; 2005-2015.

iv. To ascertain the challenges faced by Nichemtex and Tofa textile industries Nigeria Limited as a result of the expiration of MFA; 2005-2015.

v. To identify possible solutions to the challenges faced by Nichemtex and Tofa textile industries Nigeria Limited arising from the expiration of MFA.

1.5 Research Hypothesis

i. there is a significant relationship between the implementation of the expiration of the MFA and the loss of potential export earnings for Nigeria from Nichemtex and Tofa textile industries.

ii. There is no relationship between eliminating quotas and consolidation of production into larger textile industries of Nichemtex and Tofa textile industries.

iii. There is a significant relationship between how Nichemtex and Tofa textile industries fared in the quota free regime than they were at the expiration of the MFA.

iv. The process of trade liberalization through the phasing out of quotas has had a significant positive effects on the overall efficiency levels of Nichemtex and Tofa textile industries.

1.6. Significance of the Study

The quest to achieve an expansion in textile and clothing trade, thereduction of barriersto such tradeand the increasing liberalizationof internationaltrade intextile and clothing has

dominated contemporary scholarly debates. It has sparked divergent views among scholars whose central theoretical considerations are focused on ensuring the growth and development of textile within the context of trade liberalization policies. The effects on both importing and exporting countries over the decades gained much attention in development literature. However, little listenin ears have been accrued to the couse of Multi-Fibre Agreementon textiles industry in developing economies such as Nigeria. Hence, this study covers that gap.

In addition, this research is paramount and important in quite a handfull of aspects including but not restricted to contributing to knowledge, public policy and theoretical explanation. For instance, one of the gaps discovered is that in most of the successful textile industries, there was a place for a well-funded research either by institutions established to provide this framework or by the textile research association. The success story of textile industries in India especially between 2002- 2003; 2003-2004 after the expiration of MFA is traceable to research (Rafi, 2005; Liaquat, 2005). This is absent in Nigeria's case and this study will provide that reference point.

In terms of public policy, the outcome of this study will shape public policy on textile industries considering its anticipated and expected benefits to Nigeria's economy. The findings of other studies reviewed has shown thatthe expiration ofMulti Fiber Agreements impactednegatively onNigeria's textile industries especially as it leads to the collapse of textile industries. However, both external and internal factors were responsible for the collapse but the internal factors played major roles as this study has shown.

In terms of contribution to the body of existing knowledge, various studies have been done extensively on international trade and textile, the effects of globalization on textile trade but restricted to developed and developing countries generally. For instance, about sixty (60)

studies and reports from a wide range of governmental and nongovernmental organizations were reviewed in an effort to ascertain the impact of quota elimination on individual countries. These materials reflect a range of methodologies. Some conducted original research, many cited existing research, and some are based on the opinion of industry leaders and academic experts. Theoretically too, the research will further stimulate theoretical knowledge within the context of the challenges confronting textile industries with the intention to ultimately find solution to these problems that seem to have defied some solutions and measures to revitalize these industries so far in Nigeria in the face of liberalization policies.

The study therefore Focus on the effects of multi-fibre agreement on Nichemtex and Tofa textile industries which constitute a point of departure to previous studies.

Finally, this study has also exposed the gap arising from the postulation of globalization theories, which saw trade liberalization that came after the removal of the MFA reducing the contributions of textile industries to Gross Domestic Product and employment generation to the national economy.

1.7. Scope and Limitations of Study

The scope of this study is restricted to the effects of the expiration of WTO's Multi Fibre Agreement (MFA) on Nichemtex Nigeria Limited, Ikorodu, Lagos and Tofa Textile Limited, Kano; 2001 – 2015. It covers a period of fifteen (15) years (2001-2015) and focuses on the effects of the expiration of MFA on Nigeria's textile industry.

The study Focus on the effects of the expiration of MFA on Nigeria's textile industry. Textile industry is chosen as itis the largestnon-oil production sub-sector inthecountry. It is also the most labour intensive industry in Nigeria; as a single factory in the industry has the capacity of employing more than 700,000 workers (Gompil, 2004). For some time now, the industry has been facing a major downturn. According to Momoh (2008) there were 128 textile firms

in the industry in 1980s, which has decreased to 37 in 2011 from the textile house record in 2011.

The study covers 2005 to 2015. Also, it has been noticed that a lot of industries have closed down and workers retrenched. Thus, the industry needs investigation as to find out how the past glory could be returned.

Textile industries in Nigeria are concentrated in three major regions. These are in the North, West and Eastern regions of the country. Those in the North are in Kano (Bompai, Shalawa and Sharada area), Kaduna (Kaduna town and Zaria) and Katsina in Funtua town; those in the Western area are in Lagos (Oshodi, Ikorodu and Lagos Island) and those in the East. This study is limited to two textile industries located in the commercial centers of Nigeria; Tofa textile industry in Kano and Nichemtex Ikorodu Lagos.

The choice of the study area took cognizance of the fact that during Pre-test, the two industries Ikeja Textile Mill and Gaskiya Textile Mill, which were originally intended for the research were discovered to have been closed down along with all known major textile industries in Kano and Lagos. Hence, the choice of Nichemtex was arrived at most especially that all textile industries share common characteristics. These all together informed the rationale behind selecting Nichemtex textile industry, Lagos and Tofa textile industry, Kano.

This research also had its own limitations. The research heavily relied on primary source of data which included data generated from interviews, administration of questionnaires and Focus group discussion. However, due to ever increasing security challenges in the country, the researcher found it difficult to go to all the commercial cities of Nigeria to gather data for the study. Hence, the study was restricted to Lagos and Kano. The study was also confronted with the problem of communication. The researcher intended to interview some of the Chinese citizens engaged in textile business particularly in Lagos and Kano; but it was

realized that many of them do not speak English or any local languages spoken in Nigeria. They interact with people mostly by demonstrating and using signs language. This constitutes a major challenge to the researcher.

In order to overcome these challenges, the researcher employed an interpreter to interpret the language so as to touch on all the critical issues that have occurred in Nigeria's Textile Industries as it relates to the problem under study.

1.8 Organization of Chapters

The research comprised of six chapters. The first chapter of the work is the Introduction which provides a general background to the study and embraces subject matters such as thestatement ofresearch problem, researchquestions, aim and objectivesof the study, basic assumptions and significance of the study. This is followed by Chapter two which is Literature review and theoretical framework. This chapter focused on detailed review of related and relevant literature and the theory adopted for this work is also captured.

The third chapter is the Research Methodology. This chapter describes elaborately the procedural steps adopted for the study. It encompasses the description of the area of study, types and sources of data used in gathering information on the subject matter, techniques of data collection and sampling procedures, techniques of data analysis and anticipated problems encountered in the course of study. Chapter four provided a discussion on historical background of evolution of textile industries in Nigeria with emphasis on Tofa Textile industry and Nichemtex Textile industry with a view to looking at the nature and prospects of these textile industries in the light of global economic policies. The chapter finally examines some of the key challenges confronting textile industries in the face of multilateral institution. The

fifth chapter focused on data presentation and analysis of the effects of the expiration of Multi-fibre Agreement on Tofa and Nichemtex Nigeria limited. It is structured into introduction, socio demographic characteristics of respondents, objectives of the study, discussion of major findings and relating research assumption to research findings. Chapter six, which is the last chapter presents the Summary of findings, conclusion and recommendations of the study.

CHAPTER TWO

LITERATURE REVIEW AND THEORETICAL FRAME WORK

2.1 Introduction

Social science research takes place within a broader context of a scientific knowledge base which provides substance, shape, direction and meaning to the work. Hence, the review here is imperative as it helps to streamline and situate this study within the existing body of knowledge of the phenomenon under study. Therefore, for an in-depth review of theoretical and empirical evidence, the ensuing sections review available literature critically in order to provide a conceptual framework for the study along the lines of the objectives of the study.

Researchers in advanced countries of Europe and Asian countries such as (Rafi, 2005; Liaquat, 2005) have spent a great deal of time attempting to ascertain the impactof MultiFibre Agreement(MFA) on textile industries but little research has been carried out on developing countries. For instance, in 1974, Canada, the US, and the European Community entered into the Multi Fibre Arrangement, which allowed Western countries to set limits or quotas, on the amount of foreign made garments they would allow into their borders. While some of the researches conducted by (Rafi, 2005; Liaquat, 2005) are motivated by the desire to identify the relationships between MFA and textile industries, one area which is neglected is the effect of MFA on textile industries in developing countries. This study, and in particular, this chapter reviewed relevant literature on the phenomenon of Multi Fibre Agreement which is the thrust of this study and its effects on textile industries in Nigeria. The chapter therefore, is subsumed into themes and sections, with each critically reviewing various literature in relation to the specific objectives of the study. This chapter aligns itself with the theoretical postulation of neo-liberalism and provides the work with a thematic and theoretical bearing.

2.2 Literature Review

2.2:1 Background to the Emergence and Nature of Multi Fibre Agreement (MFA)

Scholarly literature on international trade is vast, our focus in this study is to look at it as it relates to the textile industries in Nigeria especially with the expiration of the Multi Fibre Agreement (MFA). For instance, while most of the literature on international trade such as Naumann, (2006); EU (2003); Ernst et al (2005), focuses on the composition and direction of trade flows, the welfare effects of trade and trade barriers, the theoretical conclusion drawn in many of them is that free trade as against protectionism is the best policy for most countries. However this viewpoint has generated a lot of debate as to why some countries still protect certain industries when free trade is seem as being the best for all concerned. The emergence of GATT and WTO can be seen as an efficient way of solving this problem.

It is worthwhile to note that the theoretical growth of literature has given more attention to the relationship between trade policies and growth rather than the relationship between trade openness and growth (Naumann,2006). Therefore, the conclusion about the relationship between trade barriers and growth cannot be directly applied to the effects of changes in trade volumes on growth. Nigeria, being fully integrated into the global economic system, is a member and signatory to many multilateral and regional trade agreements. The policy response of such economic partnership agreements on trade policy has been to remove trade barriers, reduce tariffs and embark on outward oriented trade policies. Expectations are that following Nigeria's obligations and commitments in these trade agreements, that tariffs will reduce drastically as required by the World Trade Organization (WTO) protocols and in compliance with regional trade agreements. Some available literature Naumann, (2006); EU (2003); Ernst et al (2005), supports the axiom that openness is directly correlated to greater economic growth with the main operational implication being that governments should dismantle the barriers to

trade. There are some good arguments suggesting that trade liberalization may improve resource allocation in the short term or raise growth rates permanently (and thus be beneficial to the poor). However, Jayme, (2001:13) arguments suggests the opposite.

2.2.2 Evolution and Modus Operandi of General Agreement on Trade and Tarif (GATT) and World Trade Organization (WTO)

International trade is one of the most potent issues in domestic and international politics. This is because as an element of globalization, international trade has become a contentious issue as shown by the protests and lack of agreement following the series of WTO conferences in Seattle, Cancun and Geneva in the past decades.

The General Agreement on Tariffs and Trade (GATT) was a multilateral agreement that came into being in order to regulate international trade. According to its preamble, its purpose was the "substantial reduction of tariffs and other trade barriers and the elimination of preferences, on a reciprocal and mutually advantageous basis." Negotiated during the United Nations Conference on Trade and Employment, it was the outcome of the failure of governments to create an International Trade Organizations (ITO). GATT was signed by 23 nations in Geneva on October 30, 1947 and took effect on January 1, 1948. It lasted until the signature by 123 nations in Marrakesh on April 14, 1994 of the Uruguay Round Agreements, which established the World Trade Organization (WTO) on January 1, 1995.The original GATT text (GATT 1947) is still in effect under the WTO framework, subject to the modifications of GATT 1994 (World Bank, 1995; IMF,1995).

The creation of the WTO out of the GATT Uruguay Round represents a step towards the deeper institutionalization of an open trading system with different effects on trade liberalization of countries.

The average tariff levels for the major GATT participants were about 22 percent in 1947. As a result of the first negotiating rounds, tariffs were reduced in the GATT core of the United States, United Kingdom, Canada, and Australia, relative to other contracting parties and non-GATT participants. .By the Kennedy round (1962-67), the average tariff levels of GATT participants were about 15%. After the Uruguay Round, tariffs were under 5% (World Bank, 1995; IMF, 1995).

In addition to facilitating applied tariff reductions, the early GATT's contribution to trade liberalization "include binding the negotiated tariff reductions for an extended period (made more permanent in 1955), establishing the generality of nondiscrimination through most-favored nation (MFN) treatment and national treatment, ensuring increased transparency of trade policy measures, and providing a forum for future negotiations and for the peaceful resolution of bilateral disputes. All of these elements contributed to the rationalization of trade policy and the reduction of trade barriers and policy uncertainty.

On 1 January 1995, the WTO replaced GATT, which had been in existence since 1947, as the organization overseeing the multilateral trading system. The governments that had signed GATT were officially known as "GATT contracting parties". Upon signing the new WTO agreements (which include the updated GATT, known as GATT 1994), they officially became known as "WTO members" (World Bank, 1995; IMF,1995).

The World Trade Organization (WTO) had its root from General Agreement on Tariffs and Trade (GATT) as the only multilateral instrument governing international trade. WTO was established in January, 1995 to deal with the rules of trade between nations at global level. It is concerned with liberalizing trade and serves as a form for Government to negotiate trade agreement as well as settle disputes. However, the WTO came up with trade rules, policies, and agreements that are totally not favourable to Nigeria and other third world countries. The

WTO's agreements such as Marrakesh agreement, Uruguay Round, and Doha negotiations only favoured developed countries and have little impact on Nigeria's trade and industrial sector. It is concerned with liberalizing trade and serves as a forum for Government to negotiate trade agreement as well as settle disputes (EU, 1995; World Bank, 1995; IMF, 1995).

Post world war attempts to restore the multilateral trading system led in 1947 to the establishment of GATT which was reconstituted in 1995 as the WTO(World Bank, 1995; IMF,1995). Under its auspices, successive rounds of trade negotiations yielded progressive reductions in trade barriers but the chaotic events inside and outside the abortive Seattle meeting in 1999, which was hoped would launch another trade rounds, showed that progress towards further liberalization would face opposition.

a. The main activities of the WTO are as follows:

i. Negotiating the reduction or elimination of obstacles to trade (import tariff and other barriers of trade) and agreeing on rules governing the conduct of international trade (e.g anti-dumping, subsides, product standards etc);
ii. Administering and monitoring the application of the WTO's agreed rules for trade in goods, trade in services and trade-related intellectual property rights;
iii. Monitoring and reviewing the trade policies of members, as well as ensuring transparency of regional and bilateral trade agreements;
iv. Settling disputes among members regarding the interpretation and application of agreement;
v. Building capacity of developing countries' government officials in international trade matters;
vi. Assisting the process of accession of some 30 countries who are not yet members of the organization;

v. Conducting economic research and collecting and disseminating trade data in support of the WTO's other main activities; and

vi. Explaining to and educating the public about the WTO, its mission and its activities (Stoll, 2008).

b. Structure of the WTO

To carry out the functions and tasks entrusted to the WTO, the WTO Agreement provides for a manifold of bodies which include:

i. The Ministerial conference

ii. The General council, the DSB and the TPRB

iii. Specialized council, committees and working parties

iv. The trade negotiating committee

v. The WTO secretariat

The basic structure of the WTO is set out in Article IV of the WTO Agreement subordinate committees and working groups have been added to this structure by later decisions. At present there are a total of seventy WTO bodies, of which thirty-four are standing bodies. Many of these WTO bodies meet on a regular basic, making for a heavy workload for WTO diplomats. The normal decision making procedure for WTO bodies is set out in Article IX: Of the WTO Agreement which stated.

The WTO shall continue the practice of decision making by consensus followed under GATT, 1994 except as otherwise provided, where a decision cannot be arrived at by consensus the matter at issue shall be decided by voting. At meetings of the Ministerial conference and the General Council shall be taken by a majority of the votes cast unless otherwise or in the relevant multilateral Trade Agreement (World Bank, 1995; IMF, 1995; GATT,1995).

c. Method of WTO Dispute Settlement

The DSU provides for more than one method of settlement of disputes between WTO members. These include:

i. Negotiation or consultations

ii. Adjudication by panels and appellate body

iii. Arbitration and

iv. Good offices, conciliation and mediation.

As noted above the DSU expresses clear preference for resolving disputes through consultations and mediations see Article IV of the DSU (Dispute settlement understanding)

Jurisdiction

The WTO dispute settlement system has jurisdiction over any dispute between WTO members arising under the covered agreements Article 1.1of the DSU states the relevant rule.

There are political pressure for and against protection and the role of international institutions such as the GATT in underpinning moves towards free trade. GATT, for instance can be rationalized as a mechanism for implementing the international transfers needed to compensate countries for foregoing nationally optimal tariffs which would lower world welfare. The predicaments of textiles industry in the country started with the accession of Nigeria's accession into the WTO in 1995 (Eneji, et al, 2012: 6). Without making careful study of the implications on Nigeria's domestic economy vis-a-viz its domino effects on industrial sector, Nigeria embraced liberalization policy framework as advocated by World Trade Organization (WTO) in order to integrate her trade into international economic system. For instance,the textile and clothing industry was until recently one of the manufacturing industries not subject to the Rules of the GATT, 1994. Instead it was subject to quotas and quantitative restriction on imports and exports otherwise known as MFA the application

which ended at2005. This marked a huge turning point in international trade in textile and clothing. The elimination of multi fibre agreement therefore meant that every member country of the WTO shall allow entry of textile product from any other member countries without placing any quantitative restrictions on such products or applying quotas to them. This effectively created some winners and also loses as well. This is because many countries would now face increased competition with products emanating from other countries.

As stated earlier, for point of emphasis, Nigeria became a member of the defunct GATT at independence in 1960, on a de facto basis, by virtue of its status as a former British colony. The country ratified the Marrakesh Agreement Establishing the WTO in December 1994 and enjoys the status of a founding member of WTO. However, Nigeria's membership of WTO has in recent times attracted very adverse comments both from government officials and members of the general public. Generally, not all critics are wrong. While some of the criticisms are based on facts, many others are founded on misperceptions and misrepresentations, and still several others are as a result of ideological differences. In some instances too, the criticisms reflect a significant mixture of all these and it is in that light that we should appreciate such notions as the WTO being a product of intense rivalry for advantage between the developed countries for world markets. Similarly, while some people even assert that Nigeria blindly rushed to sign the WTO Agreement, others argue that the country should renegotiate its membership. Still, others express preference for the use of the traditional bilateral and plurileteral models in the promotion of Nigeria's trade interests. There are several other examples of such adverse comments on the WTO that are at best diversionary and do not address the real issues.

As legend as these criticisms may be, they are very often misconceived and misleading. This is so because, all countries benefit from trade, and the gains arenot just economic. Evidence

abound that trade helps to make the world a safer and better place, by reducing poverty and creating shared interest in stable international relations. Trade also creates better jobs because it encourages specialization, and jobs in export industries tend to be those with the best foresight. Imports also play a vital role in creating opportunities and improving economic prospects. They also provide an incentive to innovate, improve product quality and to be more efficient. Imports of capital goods and raw materials tend to make industry more competitive. There is also a positive impact on price level, consumer choices and wages.

In essence, therefore, whatever the perceived deficiencies and imbalances of the WTO, it is importantto notethat these depend on the point of reference of the viewer. Thus, elements which are considered as examples of deficiencies by some persons or members may be taken to be perfectly normal and desirable by others. This is the case because multilateral trade negotiations always involve diverse interest which may sometimes be adversarial. Naturally, one cannot therefore expect such a process to be unanimous on the identification of deficiencies

and imbalances. Like other developing countries, Nigeria made some symbolic concessions during the Uruguay Round without getting much back in return. This is not because the negotiators ignored the interest of the country, but because the best of their capabilities could not influence the course of negotiations, except in very marginal ways. At the end, the results reflect significant gap between the economic and political strengths of the developed and advancing nations. The latter were in extremely vulnerable positions and succumbed to bilateral and multilateral pressures, and could not even maintain unity and solidarity to limit the damage. In addition, until 1990, Nigeria had no national mechanism for the formulation of positions on critical issues in the negotiations. Our negotiators therefore lacked the appropriate technical backstopping from Headquarters.

The existing reality indicates that Nigeria and other developing countries must adopt a very pragmatic and proactive approach in the participation in the WTO, particularly within the context ofthe on-going negotiations on agriculture and services as well as any future round of negotiations. In effect, there is need to continue to insist on the proper implementation of the existing Agreements, especially the full realization of exemptions and other special and differential treatment provisions for developing countries in order to improve access to developed country markets. There is also need to ensure that commitments are restricted mostly to those sectors and subsectors that we have achieved reasonable and sustainable expertise and competitiveness. Detailed sectoral studies would also be needed to clearly appreciate the circumstances of each sector as well as develop our priorities. This task could be undertaken by all stakeholders within the scope of their various responsibilities. For example, the direct involvement of the ministries of Agriculture and Finance, at the sectoral level, in the agriculture and services negotiations would be in the best national interest.

In broad terms, multilateral trade agreements define the conditions and terms under which signatory nations willengage in the exchange of goods and services among themselves. Hence, multilateral trade agreements establish the contours within which each participating country's trade policy can be articulated. By its membership of the GATT at independence in 1960 and of the successor body called the WTO from its inception in 1995, Nigeria placed itself under the umbrella of the multilateral trade agreements negotiated in the context of both institutions. But these have had little or no effect on Nigeria trade policy until UruguayRound of multilateral tradenegotiations, which was completed in 1994.

The results ofthe UruguayRound (UR) have not significantly improved Nigeria's trade and development prospects. Market access for Nigeria's export was not imposed as a result of the UR Agreements. In fact, Nigeria may have suffered net losses from the UK in at least two respects. First, the erosion of Lome and other GSP preference margins due to the general

reductionin MFN tariffs broughtabout bythe UR negotiations has probably inflicted some cost on Nigeria. Second, Nigeria has also taken on a number of obligations in the area of the multilateral trade rules, which have significant implications for domestic regulatory systems and are proving quite costly to implement, due to lack of human, administrative, technicalbarriers to tradeand trade relatedinvestment measures.

Soon after the completion of the UR in 1994 and the establishment of the WTO in 1995, there was increasing pressure for the launch of current comprehensive roundof multilateraltrade negotiations underthe WTO. Nigeria, like many other African countries, reluctance was quite justified; given the continued preoccupation with the problems arising from the implementation of the UR Agreements (Oyejide and Njinkeu, 2002). In addition, the UR results had inherent imbalances and hence Nigeria, like many other low-income countries, continued to experience fundamental difficulties in fulfilling its obligations under various UR Agreement and realizing the beliefs, which the UR promised. The UR clearly made considerable progress in liberalizing global trade both by reducing tariffand non-tariff obstacle on a wide range of industrial products and by bringing under multilateral discipline for the first time a number of previously excluded sectors such as agriculture, textile and clothing, as well as services.

But many labour-intensive agricultural and industrial productsof exportinterestto low-income countries such as Nigeria remain extensively protected in the markets f developed countries through high tariffs, tariff escalation and a range of non-tariff barriers. In spite of the UR Agreement on Agriculture, dirty tarrification of non-tariff barriers produced high rates of protection in the developed countries, while both production-related domestic support and export subsidies for agriculture in many high-income countries, continue to distort the world-market and impose commodity dependent low-income countries.

Prior to the UR, only one tariff was bound in Nigeria's tariff structure. During the UR, Nigeria agreed to a 100% tariff binding in agricultural imports at 23% (i.e. a ceiling rate of 15% plus a maximum of 50% for other duties and charges). For industrial goods, customs duties of 333 six-digit tariff items (or 65% of all tariff lines) have been bound. In this case, the bound ceiling rate of 80% includes custom duties and other charges. These bound ceiling rates for both agricultural and industrial precuts are substantially above the country's applied tariff rates, and hence provide ample rooms for discretionary tariff changes. There is likely to be considerable pleasure on Nigeria to bind all its tariffs at rates that are much closer to the applied tariff rates in the course of the Doha negotiations.

Meanwhile, Nigeria has found itself under pressure regarding the consistency of various elements of its trade policy with its obligations in the GATT/WTO and even the legitimacy of some of the trade policy measures taken since the early 1980s (GATT, 1991; WTO, 1998). For instance, Nigeria's import prohibition measures and their stated justification has been the subject of may "consultations" at the GATT and WTO. Thus, Nigeria consulted GATT committeeon balanceof paymentrestrictions in April, 1984, October 1986 and 1988, as well as in March 1991, all in relation to Nigeria's import prohibition measures, which infringed the appropriate rules. Finally, in 1996, the committee ruled that the import prohibitions force in Nigeria could be justified under the appropriate multilateral trade rules. Nigeria accepted this ruling and offered to eliminate the restrictions between 1997 and 2005. But the country has actually continued to add to the offending restrictions. In addition, although Nigeria does not have any domestic regulation on safeguards, it invoked safeguard reasons in 1998 to justify some export prohibitions.

Similarly, Nigeria has justified some tariff increases on the bases of the need to combat alleged dumping of certain imported products. But contrary to the WTO regulations and its

own domestic laws on the subject, no hearing opportunity was provided for the offending parties while import duties on the allegedly dumped products were raised against all countries rather than solely against the suppliers found guilty of dumping. These and other infringement of the provisions of multilateral trade agreement suggest that greater attention needs to be paid by policy-makers to ensure that Nigeria is fully aware of and will faithfully implement its obligations under these agreements. This is one important way of ensuring that Nigeria's trade policy remains consistent with the country's obligation to its trading partners and in mutual relations to these other nations in the context of multilateral trade negotiations (Oyejide, 2001).

A major advantage for any country in integrating in the MTS through the WTO is the automatic qualification for MFN andthe nationaltreatment (Art. III ofGATT1994), the two fundamental principles in the GATT articles that awards the goods (and services through the GATT articles) of a country to non-discriminatory treatment in the markets of other member countries. This enables a small LDC like Gambia to benefit, say, from the same tariff rate in Japan that are imposed on US goods if that tariff rate is lower. There is nowhere else where a small LDC could have achieved this over a large number of countries without going through numerous bilateral negotiations. The cost and savings resulting from the principle can be immeasurable especially where the country fully utilizes this opportunity by increasing exports.

The above point is an obvious generalization applying to all countries. A more specific benefit for countries like Nigeria in the MTS of the WTO is the assistance received for periodic Trade Policy Reviews (TPRs) that consists of a complete analysis of a country's trade policy to determine the level of compliance to the MTS as well as the appropriateness of the trade policies for the country's situation. For highly, industrialised countries, these

TPRs may act as nothing but an examination; for a small LDC such as Nigeria however, a TPR provides opportunity for the country to not only review the trade policy but to identify the shortcomings in the policy and correct them. This can prove particularly rewarding and effective if the country is prepared to learn from the experience as well as share experience with the trade analysts on the effective policy formulation of countries similar to the country in question.

The training, capacity building and other technical assistance opportunities provided by WTO to its members are invaluable to a country in Nigeria's situation. The member country is not giving much to receive the technical assistance apart from the contribution to the WTO budget, which is minimal in the case of Nigeria due o the country's small trade volume.

Another benefit to Nigeria from being a member of WTO is the forum that the organization provided for airing general views that can improve the treatment received by countries who appeared to be at a natural disadvantage, economic or otherwise, in their participation in the MTS. Through informal and formal meetings, regional negotiations and conferences, countries with similar interest can lobby to force an outcome favourable to their participation in global trade. An example is the outcome of the 2001 Doha ministerial meeting, which in a sense has redirected the trade agenda of the MTS towards a more development-oriented system.

Similar to the last point is the fact that low-income country like Nigeria gets the chance to use the dispute settlement arm of the WTO for seeking reprisal for any unfair treatment during trade that was netted out it by another country. It is only in the WTO that a country like Costa Rica can take an economic giant like the USA over undergarments, and Peru can take EU over sardines, to disputes settlement and win the case.

Although the benefits appear numerous and significant, there are certain disadvantages for Nigeria in being. The WTOpromotes the elimination of market distorting measure and thereby calls for low tariff bindings. For a small LDC with a huge import bill, depending on tariff revenue for its budget, this principle can be highly damaging to the country's development. There is an undoubted revenue impact for Nigeria in lowering the country's applied tariff rates. Moreover, market access data shows that the products of greatest value in terms of imports into a country tend to attract either the highest tariffs in the importing country, of the import substitute industry is protected or promoted in some form. For a heavily importing country like ours, this same concept logically applies and potentially over a larger number of goods, hence the tariff revenue gained. Thus a decision not to maintain some high tariffs would not be favorable due to the high level of imports.

There is an added cost in complying with WTO rules through the cost of notifications on any changes in implementing the numerous articles of the organization such as the SPS or the Anti-Dumping Agreement. These require both time and money, which is quite costly for not only a country like Nigeria, but even to transitional economies who lack the capacity to draw up the proper documentation for these procedures in addition to the cost involved. Similarly, using the dispute settlement mechanism also comes at a cost.

The above analysis of the advantages and disadvantages points towards a conclusion of the need for Nigeria to fully utilize its membership of the WTO by firstly preparing a comprehensive review of what it needs from the organization and the MTS in general that can help the country better implement its trade policy. The WTO is there to be used so it is up to countries to seize the opportunity, know how the organization can assist them and then use its comprehensively developed policy strategy to maximize gains in the MTS.

2.2:3 Nigeria and WTO Policy Review

This section reviews aspects of Nigeria's WTO membership with respect to Nigeria's trading policy within the WTO's membership. Nigeria's current trade policy regime was approved in 2002. This trade policy is in the process of a fundamental re-work and consultation. The draft new trade policy will build on several foundational and constant aspects of the 2002 policy.

The 2002 trade policy was governed by multilateral, regional, preferential and bilateral trade agreements to which Nigeria is signatory. Nigeria reaffirms its commitments and obligations to the rules-based global economy and the Multilateral Trading System, as a foundation member of the World Trade Organization (WTO).

The 2002 Nigerian Trade Policy Regime was designed to integrate the country into the global trading system with a view to maximizing the advantages of globalization. The goals of that trade policy were threefold. First, to maximize the benefits from trade, create jobs and engender economic growth and inclusive development while safeguarding the Nigerian economy from unfair trading practices, protecting Nigerian consumers, and the environment from unsustainable practices. Second, to enhance Nigeria's competitiveness in the global trading environment, through the creation of an enabling environment that supports diversification of exported products through removal of all encumbrances to production and trade. Third, to deepen and expand the nation's contribution to international trade with the aim of building a fair, transparent and equitable trading platform that responds to the demands of domestic stakeholders and creates opportunities for win-win for foreign trade partners. While these objectives remain valid, since 2002 the global trading environment has undergone radical transformation that requires domestic trade policy adjustments.

For instance, there have been rapid and continuing changes in technology – with the so-called 4th Industrial Revolution. An internet economy has emerged that requires digital-led strategies for growth. Production and trade have become bundled together resulting in "trade in tasks", which have called for negotiating responses through "value chain construction". The proliferation of FTAs and PTAs have both created and diverted trade, hence requiring greater national trade policy scrutiny, modeling and assessments, in order to design more effective and welfare-enhancing trade integration arrangements. Domestically, demographic pressures have

increased the demand for jobs. In this context, domestic politics and national governments have required sharper scrutiny on trade and other policies, so as to ensure that trade policies improve contributions to welfare and job creation. These adjustments are being made in the update of the 2002 Trade Policy Regime that will also reflect a changed global trading order.

From 1948 to 1994, the General Agreement on Tariffs and Trade (GATT) provided the rules for much of world trade and presided over periods that saw some of the highest growth rates in international commerce, it seemed well established, but throughout those 47 years, it was a provisional agreement and organization.

The WTO replaced GATT as an international organization, but the General Agreement still exists as the WTO's umbrella treaty for trade in goods but was updated as a result of the Uruguay Round negotiations. However, trade lawyers distinguished between GATT 1994, and the updated parts of GATT; and GATT 1947, but the original agreement still remained the heart of GATT 1994. However, for most of us, it is enough to refer to it simply as "GATT"

Nigeria is a founding member of the WTO and has reaffirmed its commitment to the rules-based MTS, as shown in the country's participation in WTO activities from the coming into force of the Organization. It remains an active participant of the Doha Development Round of negotiations, including on new trade issues. Similarly, Nigeria is active and prominent in regional coalitions, Constituency Groups, including the African Group, the African, Caribbean and Pacific (ACP) Group and the G90, and Cross/Inter-Constituency Groups. Nigeria continues to play an active role in the negotiations for agriculture liberalization, Non-Agriculture Market Access (NAMA) and the trade-related aspects of the intellectual property rights (TRIPs). In cross-Constituency Groupings in emerging and new issues, for a modernized WTO Trade Agenda, it is engaging, participating, including through Co-Sponsorship in in such

Groupings as "Friends of E-Commerce for Development" (FEDs) and "Friends of Investment Facilitation for Development".

At the institutional and decision-making level of the Organization, Nigeria has participated, actively, including at Ministerial Conferences, where Nigeria has been engaged. Nigeria provided a chairperson in the first generation of Chairpersons for the Organization in 1995, chairing the Committee on Rules of Origin. As at the time Nigeria joined WTO, it was more of regime survival as the then Head of State, General Sani Abacha made Nigeria a pariah state, whereby, she needed to join such group for regime stability and survival as she has incurred the wroth of western European states. Since then, Nigeria has been playing active roles at different levels.

In 2009, Nigeria chaired the Eight WTO Ministerial Conference, the highest decision-making body of the Organization. It has chaired several bodies at different times: Chair of Trade in Services (2009), the chair of Dispute Settlement body (DSB) (2010) and the chair of General Council (2011). Clearly, the country is fully engaged and supportive of WTO institutions, processes and procedures.

Nigeria ratified the Amendment to the TRIPS Agreement and the WTO Trade Facilitation Agreement (TFA) on 16 January 2017. Government efforts to have access to affordable medicines under the WTO rules established the self-evident case for the ratification of TRIPs Amendment.

On the ratification of the TFA, the country's policy priority is to improve the ease of doing business, promote competition and diversify the economy. These priorities provided the rationale to ratify the TFA. Thus, the TFA's implementation is *in tandem* with government's efforts to improve the business environment and achieve significant reduction in the cost of doing business. While some of the issues involve institutional reforms, others require huge capital outlay and hence the country would benefit from technical as well as financial assistance from development partners in some areas including the building of trade infrastructure and the implementation of international trade facilitation standards, procedures and regulations. The National Committee on Trade Facilitation as provided for in the WTO TFA is in place to facilitate the implementation of the Agreement.

For Nigeria, protection of Intellectual Property Rights (IPRs) is central in the drive to foster innovation, creativity and development. In the implementation of the TRIPs agreement as envisaged, the Trademarks, Patents and Designs Registry with the assistance of WIPO embarked upon an aggressive institutional reform. This is aimed at implementing the Presidential priority on improving the Ease of Doing Business, service delivery, effectively, efficiently and expeditiously.

Specifically, the Commercial Law Department of the Federal Ministry of Industry, Trade and Investment has introduced the online registration system, in collaboration with WIPO, established a Technology and Innovation Support Center (TISC) and, set up the Industrial Property Automation System (IPAS). This has encouraged trademark registration activities, innovation, quality and assurance.

The online registration system encourages the filing of applications using the internet platform. This has reduced the timeline between submission and first office action by seven (7) days. The system also enables the applicant to monitor and track his/her application with communication interface and feedback. The IPAS also has a physical medium for applicants that may not use the internet, or have no access, to submit their application at the receiving or front office, where it would be captured into the system and processed.

The TISC was targeted at promoting local innovation, re-engineering and technology transfer. The main target groups are SMEs, Local inventors, Research Institutes and Universities. Currently, the center has registered approximately 240 participants. This has Promoted Patenting and Innovation. Between 2013 and 2016 the Patent registry recorded a 17% increase in Local Patent application. However, there is still work to be done.

The Registry search system of the index data base remains manual. WIPO in collaboration with the Japan Patent Office (JPO) is currently digitizing one hundred thousand (100, 000) active files in the registry with a view to standardization in a digital data bank to enhance search, ensure efficiency and reduce time. This project commenced in March 2016.

There are areas of the implementation of WTO agreements where there is scope for improvement. These include timely notifications and implementation of operative provisions of some agreements. As part of the new trade policy for Nigeria, an updated institutional infrastructure is being structured for the conduct and management of trade policy in the complex and rapidly evolving 21st Century global trade policy landscape. This will include better structured institutions, greater specialization, enactment of appropriate domestic laws and regulations, such as for trade remedies and safeguard to counter unfair and illegal competition. To this end, trade has been mainstreamed into the recently launched Economic Recovery and Growth Plan (2017-2020) in order to reap the benefit of trade integration.

2.2.4 The Concept and Evolution of Multi-Fibre Agreement (MFA)

Conceptually, Multi-Fibre Agreement (MFA) refers to international trade agreements under which two countries may negotiate quota restrictions on textile and apparel imports from each other. The Multi Fibre Arrangement (MFA) governed the world trade in textiles and garments from 1974 through 2004, imposing quotas on the amount developing countries could export to developed countries. It expired on 1 January 2005.

The MFA was introduced in 1974 as a short-term measure intended to allow developed countries to adjust to imports from the developing world. Developing countries have an absolute advantage in textile production because it is labor-intensive and they have low labor costs. According to a World Bank/International Monetary Fund (IMF) study, the global trading system has cost the developing world 27 million jobs and $40 billion a year in lost exports (World Bank, 2005; IMF, 2006). However, the Arrangement was not negative for all developing countries. For example, the European Union (EU) imposed no restrictions or duties on imports from the emerging countries, such as Bangladesh leading to a massive expansion of the industry.

At the General Agreement on Tariffs and Trade (GATT) Uruguay Round, it was decided to bring the textile trade under the jurisdiction of the World Trade Organization. The Agreement on Textiles and Clothing provided for the gradual dismantling of the quotas that existed under the MFA. This process was completed on 1 January 2005. However, large tariffs remain in place on many textile products, going by Article 6 Marrakesh Protocol and GATT 1994.

Bangladesh was expected to suffer the most from the ending of the MFA, as it was expected to face more competition, particularly from China. However, this was not the case. It turns out that even in the face of other economic giants, Bangladesh's labor is "cheaper than anywhere else in the world." While some smaller factories dominated thereby making pay cuts and layoffs, most downsizing was essentially speculative – the orders for goods kept coming even after the MFA expired. In fact, Bangladesh's exports increased in value by about $500 million in 2006.However, poorer countries within the developed world, such as Greece and Portugal, are expected to lose out after the expiration of MFA since there cannot face competition from stronger and more advanced countries.

During early 2005, textile and clothing exports from China to the West grew by 100% or more in many items, leading the US and EU to cite China's WTO accession agreement allowing them to restrict the rate of growth to 7.5% per year until 2008. In June, China agreed with the EU to limit the rate to 10% for 3 years. No such agreement was reached with the US, which imposed its own import growth quotas of 7.5% instead. When the EU announced their new quotas to replace the lapsed MFA, Chinese manufacturers accelerated their shipping of the goods intended for the European market. This used up a full year's quota almost immediately. As a result, 75 million items of imported Chinese garments were held in European ports in August 2005. A diplomatic resolution was reached at the beginning of September 2005 during Tony Blair's visit to China, putting an end to a situation the UK press had dubbed "Bra Wars".

International textiles and clothing trade was going through fundamental change under the 10-year transitional programme beginning 1 January 1995 as set out in the WTO's Agreement on Textiles and Clothing (ATC). Before the agreement took effect, quotas controlled a large portion of trade in the sector. Under the agreement, WTO members committed themselves to remove the quotas and to integrate the sector fully into GATT rules by 1 January 2005. That would also mean observing the GATT principle of non-discrimination. Textiles remained one of the hardest-fought issues in the GATT and WTO. Indeed for many developing countries, it was the prospect of ending the quota system that encouraged them to agree to negotiate the new issues of intellectual property, services and investment in the Uruguay Round. Hence in the run-up to the 1996 Singapore Ministerial Conference, textiles again became a focus of attention for many members. Detailed and lengthy discussions were held in the WTO's Goods Council about the implementation of the textiles agreement and related issues.

Textiles and clothing account for about 9.1 per cent of world manufactured goods exports or 6.5 per cent of all merchandise exports. According to the World Bank and the IMF estimate in

1994 by what was then the GATT Secretariat, the removal of quotas and a reduction in tariffs could add 18 per cent to the value of trade in textiles (excluding clothing) by 2005. Liberalization under the WTO would increase the value of clothing trade by as much as 69 per cent. This growth is a major factor behind the estimated 14-37 per cent expansion in exports calculated to accrue to developing and transitional economy countries as a result of the Uruguay Round(World Bank, 2005; IMF, 2006). Up to the end of the Uruguay Round, textiles quotas were negotiated bilaterally and governed by the Multi fibre Arrangement (MFA).

This contained rules for the imposition of selective quantitative restraints when surges in imports caused, or threatened to cause, market disruption. The quotas incorporated annual growth rates, the standard rate being 6 per cent, although the actual rates varied considerably.

In terms of the nature and operations, the Multi Fibre Arrangement was a major departure from the basic GATT rules, and particularly the principle of non-discrimination. It has now been replaced by the WTO's Agreement on Textiles and Clothing and the 10-year liberalization programme. All quotas, as well as their growth rates, existing under the Multi Fibre Arrangement on 31 December 1994 were carried over into the WTO agreement, but their level was to automatically increase during the 10-year transition period.

Beneria and Lind (2005), for instance argued that multi fiber agreement was set up in 1974 as a set of formal quota agreements and restrictions, governing textile and clothing trade between developing countries and developed world. However, Cable (2006) advanced the reason behind the introduction of the Multi Fibre Agreement (MFA) hinging it on the facts that, the developed world used it as a form of protectionism to secure their own textile industries against the threat posed by the low cost competition from the Least Developed Countries

(LDCs).According to Dargin (2010), the MFA was a high-profile exception to the principles of free trade and the operation of the GATT. He further argued that as such, the MFA was supposed to be a temporary measure. There emerged different options and outlook on the termination of some of the MFA agreement in intellectual circles. Some scholars such as Hudson and Mutuk (2011) in their studies have argued that politics and economic were intertwined to undermine the MFA. This view was also supported by the work of Brambilla, Irene, Amit and Schott (2010).

These scholars have argued that, the agreement was meant to serve as a tool for the regulation of global trade in textiles and apparel. However, politics rather than actual benefits on growth and development of Textile production and trade across the world played a key role.The evolution and expiration of WTO's multi-fiber arrangement therefore, sparked heated

arguments and counter arguments among various scholars of international economic relations.

These arguments emanated from two perspectives of scholarship. There are the proponents of the relevance of Multi-Fiber Agreement in international transactionsin Textile & Cotton and there are those who supported the removal or phasing out of MFA. The basic arguments for those who are against the agreement look at it more or less as a political tool which has no economic benefit.For instance, in the empirical studies conducted by Hudson and Mutuk (2011); Harrigan and Geoffrey (2009); Deanjudist (2004) and Revoh (2004), all supported the idea that MFA agreement had more political motive than the perceived benefits on growth and development of textile production and trade across the world. This view was also upheld by scholars such as Aggrarwal (2005); Cline (2005); cable (2006); and Dargin (2010).

The proponents of MFA argue that the phasing out of the Multi-Fiber Agreement (MFA) in 2005 heralded the end of protectionism in the textile industries and uncertainties for the textile industries in developed countries. However, many studies have been conducted on post MFA era, and virtually all of these studies tend to focus on this same issue. For example, the work of Baden and Jockers (2006); Porta Desilane and Shlerfer (2006).These scholars put forward the argument that, the expiration of MFA led to the closure of several textile factories in Africa which eventually contributed to increase in Job losses. Similarly, the studies conducted by Senaparty (2008); Vlok (2006); Ohlin (2011; Merz (2008); Cable (2006); Naumann (2006) and Gereffi and Fredrick (2010) also held similar view on the effect MFA on developing countries.

Meanwhile, the opponents on the other hand countered the critics of MFA, by arguing that the MFA had impacted on the economic development of the emerging economies of the world such as India, Hong Kong, Taiwan, Bangladesh, China, etc.

The leading scholars of this view includes, Adhilear, and Yamamoto (2005); Ghali (1999); Brenton and Ikezuki (2004); Cadot, Carrere and Tumur Chudur (2005). In empirical studies, they clearly demonstrated how domestic textile producers in developing countries benefitted from the removal of MFA. For instance, Cadot, Carrere and Tumur Chudur (2005) used Hong Kong and China as a case study, and predicted that the removal of MFA will stimulate their growth in textile production.In Africa too, this proponent's ideas were also deep seated in the minds of scholars like Bassey in their works in (2007), Chakukuwa (2006); Olajide (2010); Ibin Misrah (2012); and Majumder (2008).

Jumbulolo (2009) conducted his studies on South Africa textile industries and found out that, there was positive effects on both the growth and textile trade between South Africa and the rest of the world. Similarly, Al-Shukri (2011) in his study demonstrated how Egyptian textile industries became better off in the post MFA era. He posited that the removal of MFA was to pave way for growth and development of textile in Egypt.

When Joseph Peizman in 2000 published "the multi-fiber arrangement: is there a future post-Uruguay Round"? This article reviews the political and broad economic implications of the MFA. In it Peizman (2000) provides a concise history of the agreement which was implemented in the United States with particular emphasis on how new quotas were imposed utilizing the open-ended "call" system. Similarly, Grennes (2003) in his articles titled "The multi-fiber arrangement and the management of international textile trade" made an analysis on the effects of MFA and concluded that, the agreement was not good for anyone as the economic costs far outweighed any perceived benefits and that the political costs were damaging for both government and industry. Rachel and Snyder (2007) published a book titled "A moving story of people in the Border less world of Global trade". From this book, the MFA was analyzed from the perspective of its impact of global trade and the global apparel business. The author helped to illuminate the legacy of the MFA and its impact on the social fabric of both developed and developing countries. As they conclude that MFA phase out may result in slow growth and negative impact on textile production across the world.

2.2.4.1 The Nature of Operations and Phases of MFA

The MFA grew out of a series of voluntary export restraints imposed initially, by the United States on Japanese textile exports in 1955. By the end of the 1950s, the United Kingdom also began to limit imports from Hong Kong, India, and Pakistan (Spinanger 1999). Quotas on cotton textiles and apparel products were first institutionalized with the Short-Term Arrangement in 1961 which was extended to two subsequent Long-Term Arrangements throughout the 1960s and early 1970s. As the textile and apparel production continued to grow in Asian countries, developed ones sought a more systematic mechanism to deal with "market disruptions" in other fiber markets. This search led to the signing of the MFA in 1974, which although "temporary" at first, ultimately led to an additional thirty years of protection. As a result of the MFA, T&C products were kept out of multilateral trade negotiations under the

General Agreement on Tariffs and Trade (GATT) and its successor, the World Trade Organization (WTO).

Multi Fibre Arrangement (MFA) came into force in 1974 to exercise controls and restrictions on imports of non-cotton textiles as well. The MFA replaced the 1964 Agreement in International Trade in Cotton Textiles. The main thrust of the MFA is that the developed world used it as a form of protectionism to secure their own textile industries against the threat posed by the low cost competition from the Least Developed Countries (LDCs). LDCs had a vast pool of labour and were consequently able to supply the EU and US market at a cheaper cost. As a countermeasure, the US and EU came up with quotas on exports of the LDCs (Tandraayen-Ragoobur and Ayrga, 2012). Theorists of the neo-classical school Smith, (1812) and Ricardo, (1817) suggest that trade liberalization and increased competition opens the economy and allocates labour to its most productive use to minimize costs.

The global trading system generated a spreading entanglement of trade restrictions 'on textile and material exports from the developing world. The focal point of these restrictions was to prevent the labour intensive developing countries from expanding their exports to the developed World. These restrictions inevitably led to the MFA of 1974, a general multilateral framework for managing textile and clothing trade for cotton, wool and manmade fibres. Its quotas were applied on a discriminatory basis to some exporting countries but not to others, thus different from country to country in both product coverage and the degree of restrictiveness. As Manoj and Muraleedharan (2016), argue, it was designed to restrict low-cost exports of clothing and textiles to developed-country markets. At the same time, MFA was not applicable to trade between the rich developed countries or to exports from the Least Developed Countries. This implied a form of collusion on the part of the developed countries in imposing restrictions on the developing countries. The MFA therefore, resulted in restricting

the size of the textile industry in the exporting countries with natural competitive advantages in the area as no country could export more than the quota allocated to it. In 1995, MFA was integrated into GATT via the Agreement on Textiles and Clothing (ATC). But by the end of 2004, the MFA was finally dismantled and that represented the end of the ten-year implementation period which had followed the Agreement on Textiles and Clothing ("ATC") and which had been concluded in 1994 as a part of the Uruguay Round.

This Agreement was a component of the negotiations at Uruguay where it was agreed that the ATC would replace the ·Multi fibre Arrangement by implementing a "phasing out" plan that Focus on the elimination of the previous quotas. The plan was implemented in January of 1995 and was integrated in four stages over a ten year period and required the amalgamation of products into the international trading system as well as the progressive increase of growth rates in quotas. As such, it could be assumed that the ATC opened previously closed doors to the developing world because it operated with the objective of striving to advance the interests of the developing countries which had previously been denied access to the protected markets of the developed world.

The first stage of MFA which lasted till 1977 promised increase in export earnings for developing countries, with due considerations of market disruption that might occur owing to excessive imports to the developed countries. In such cases, the developed countries were empowered to restrain the levels of exports, based on the past exports, allowing for some positive growth rates as well. These could be done by bilateral consultations and these did apply to handlooms as well. The second stage of MFA from 1978 to 1981 was more restrictive than the first one, as it allowed reasonable but temporary departures from the general terms of MFA. As the departures were mostly restrictions and were of continuing nature, this was detrimental to the export performance of developing countries. The third stage of MFA which

was from 1982 to 1986, was supposed to be less restrictive as it gave more provisions to the developing countries to be compensated for the safeguard measures. Textiles and apparel sectors were treated as two distinct sectors and quotas were worked out accordingly. However, this worsened the situation as regard Indian textile and apparel exports, as most bilateral agreements signed consisted of rigid features on category ceilings, growth rates, carry over, carry forward and swing provisions.

During its last stage, there were increasing resentments across the world against MFA, since it allowed the developed countries to export among themselves without restrictions and to safeguard themselves against all low-price exports from developing countries.

2.2.4.2 The Agreement to phase out MFA quotas

The Agreement on Textiles and Clothing (ATC) heralded the much-anticipated beginning of the formal process for the removal of global quotas on textiles and clothing. As a WTO Agreement, it was binding on all its member states although it soon become clear that the practical implementation of the Agreement sometimes lagged behind its theoretical prescriptions. The inherent flexibility of the Agreement, not so much in relative quantity but in scope, also provided countries with substantial leeway in the actual implementation and interpretation of its clauses.

The ATC set a four-stage quota liberalization schedule as outlined in Article 2 of the Agreement. Each phase foresaw the integration of a specific percentage of textile categories based on 1990 levels. The first stage lasted three years, the second lasted four years, and the third covered three years. The final stage was the date of full integration (1 January 2005). Table2.1 below indicates.

Table: 2.1: Four phase of Removal of all MFA Quotas from January, 1995 to January, 2005

S/N	Period	The Total volume of imports (textiles)	Phases
1	January, 1995 - December 31st 1997	16%	1st Phase
2	January, 1998 - 31st, December, 2001	17%	2nd Phase
3	January, 2002 - 31st December, 2004	18%	3rd Phase
4	January, 2005	49%	Final Phase

Source: Kruger (2011), Naumann (2004)

The first phase of quota removal (between 1995 and the end of 1997) would see quantitative restrictions lifted from a minimum of 16% of the total volume of imports of the listed textile and clothing products on the date of entry into the force of the ATC. This is followed by batches of a minimum of 17% of the total volume of imports of the listed textile and clothing products on the first day of 37th month or the end of the third year(January 1,1998); 18% of the total volume of imports of the listed textile and clothing products on the first day of the 85th month

or the end of the seventh year, (January1,2002). Finally, 49% of the total volume of imports of the listed textile and clothing products on the first day of the 121st month or the end the tenth year(January 1,2005) of the remaining categories.

At the midnight on January1, 2005, the World Trading Organization (WTO) terminated the MFA quota system for apparel after 10 year of incremental phase outs. As McClear (2005) pointed out, it was developing nations that demanded that the quotas be removed, asking the WTO in 1994 to phase out the quotas and claiming that developed countries used them to unfairly protect their own industries. Having placed a demand for its phase out, it is imperative to now assess its effects on textile industries in developing countries to see whether it has benefitted them or not. A new trade policy that lowers clothing prices affects all because clothing is one of life necessities. Such a change took place at the beginning of 2005 as the U.S. Canada and the European Union discontinued most of their limits on imports of yarn fabric and clothing from developing countries.

According to Economic Review (2005:2), the reason for phasing out MFA was given thus:

> In January 1995 the WTO put into effect a new agreement that replaced the MFA called the ATC. This was basically a 10-year plan to phase-out the MFA system of quotas and integrates textiles and garments into the General Agreement on Tariffs and Trade (GATT) rules. The ATC, which was preceded by seven years of complex negotiations, was the transitional tool that facilitates quota removal.

Among the reasons that were advanced for the abolition of the MFA was that some developing countries felt that the quota system should be abolished because it prevented them from having greater access to the lucrative North American and European markets and thus hindered growth in their countries. Many countries in the south sought an end to the MFA as they saw it as operating primarily in the interests of the industrialised countries' domestic textile and garment sectors.

However, severe competition in the market place emanating from the abolition of the quota system would adversely affect smaller economies. This is because the expiration meant that the textile industries in Nigeria been predicted potential beneficiaries under the new arrangement. Thus, the development that led to phasing out of the Multi-fiber Agreement (MFA) sparked a number of studies particularly on its implication on textile production and trade across the globe. The era saw an upsurge of scholarly debates on the effects of the quota elimination ontextile andapparel trade among the nations. Several studies investigated the phenomena using a variety of methodologies, agreeing or disagreeing ontheimpact ofquota eliminationon developingcountries.

The majority of the studies reviewed such as Malhotra and Kaur (2003), Kelegama, Saman and Ratnakar Adhikari (2004); Hamilton (ed) (2005); Hoekman, Bernard and Kostecki (2005); Robbani, and Golam (2005;) and Spinger (2006), presumed that after the removal of quota

restrictions there would be enormous gains for both developed and developing countries However, some researchers such as Asim, (2003); Khan (2003); Martin and Winters (2005); Aziz, Hertel and Martin, (2005), held much more cautious views, particularly with regard to developing countries. They held that most developing countries would experience negative results after the elimination of textile quota restrictions. In relation to South Asia and to Pakistan in particular, there were many conflicting opinions. Similarly reports of OECD (2003), World Bank (2002), UN (2001) and Asian Development Bank (2001) indicated that there would be enormous gains stemming from quota elimination, particularly for developing countries.

These estimates of gains showed a wide range of numerical values which vary considerably in the cases of both developing and developed countries. Most of their claims were based on the arguments and assumptions that elimination of quotas would enable developing countries

to gain greater access to the markets of developed countries and thereby would, enjoy enormous

gains. Other studies such as Audet, and Denis[2004]; Bagchi [2005]; Francois, McDonald, and Nordstrom [2005]; have used similar arguments but have found that the results vary from one country to the other and region to region.

Bagchi, (2005) for once argued that most of the developing countries (except for poorest countries particularly in Africa) would gain improved economic advantage from the Agreement on Textiles and Clothing (ATC). According to him, such economic gains would not be feasible if the developing countries are not participants in this agreement. The countries in the Asian region which in his opinion, were expected to gain most from the textile production includes China, low-income countries in South Asia. His analyses and predictions are mainly based on two standpoints, (i) that textile exporters will no longer be subjected to the discriminatory use of quotas which had been permitted by the MFA, and (ii) that, inexpensive labour in these countries for the textile industry (which is labour-intensive in its nature) could be very much available. However, Bhattacharya (2002) as well as Kathuria, Sanjay Anjali and Bhardwaj.(2003) held different views regarding to the ensuing gains for China, low income countries in South Asia and Newly Industrialized Countries earlier mentioned. They argued that quota abolition would offer greater leverage opportunities for textile exporting countries. However, countries like India would likely get more benefits than the more matured markets of South Korea, Hong Kong and Taiwan. They held that such potential gains for any individual country depended heavily on policy reforms carried out with in those countries in order to face the fierce international competition. Specifically, those countries that take the opportunity to streamline their policies and improve their competitiveness were likely to increase their gains from quota abolition.

Meanwhile, Gokhale, Chandan and Vijaya Katti (2005) also held a view of MFA phase-out by assuming that the developed regions in their model, namely USA and EUN, relax their respective no- tariff barriers to trade, (protectionist measures) NTBs on imports of textiles and clothing from developing regions, namely Asia and Latin America, by 50 per cent. Simultaneously, the developing region's export tax equivalents on textiles and weaving apparel are reduced to zero. Beyond this conventional MFA phase-out experiment, the study concludes that the next move was then to introduce further liberalization of world trade in textiles and clothing in these regions. In relation to such predictions about the assumed gains for developing countries following the introduction of a quota-free regime, most of these scholars do not take into account the level of economic development of the developing countries and therefore, did not represent true estimates or a true picture for these countries. Those authors who are not convinced by the foregoing point of view include Rivera, Agama and Dean (2003); Schott (2008); Whalley, and Dayaratna-Banda (2007).

Martin and Will (2004) in their study lamented that the Multi-Fibre Arrangement provided a framework under which developing countries could boost their production and export of yarn, textiles and apparel to developed countries. They asserted that the removal of MFA would further jeopardize the textile industries of these countries. Similarly, Brambilla, Amit and Peter (2009) in their study revealed that China's exports grew disproportionately. This was because when the MFA finally ended in 2005, its exports surged while those in all other regions fell.

Nevo, (2003) in his study took a different position and argued that the elimination of MFA led to a significant growth of the textile market across the world. Nevo (2003), in his findings made an attempt to estimate potential gains from the abolition of MFA for developing counties, particularly India. He used a 23-sector multi-country Computable General Equilibrium (CGE) NCAER-UM Model of World Trade, Production and Employment. The experiments were

conducted through simulating abolition of tariffs and non-tariff barriers on bilateral trade of textiles and clothing between developing and developed countries and concluded that it would benefit both sides by ensuring growth in the textile and apparel trade.

However, according to the Indian Ministry of Textile cited in (Narayanan, 2008:5), in contrast with expectations, there has been an astonishing decline in exports growth in 2006-07 to 10.53% from over 16% in 2005-06.This development may be similar to the experience of other developing countries like Nigeria.Similarly, Trela and Whalley (2004) used the same methodology to analyse the removal of quota and tariff between Canada, the EU and the USA and 34 supplying developing countries using static CGE model. They expected global welfare gains from quota and tariff elimination to the extent of US$23bn per year of which two-thirds would be shared by three developed countries and leaving one-third for developing countries. In a follow-up study, they expanded their CGE model to capture the effects related to internal quota allocation systems in exporting countries and estimated the global benefit to be US$49.7bn annually—mainly accruing to developing country exporters. By implication these two studies show that there is significant gain in both the developed and developing countries in post-MFA era especially for the exporting countries of the developing countries.

In summary, there are a variety of opinions concerning the impact of a quota-free regime. Thus, it is difficult to draw clear conclusions from so much diversified and divergent literature. This is plainly put by Spinanger (2004), who states that: ‘the situation for textiles and the clothing industry after the MFA era will be clouded’.

2.2.4.3 Objectives of the MFA

The MFA represented an umbrella framework which governed the trade in textile and apparel under the General Agreement on Tariffs and Trade (GATT) jurisdiction. Although a departure from the GATT's MFN principle, signatory countries to the GATT agreed to make trade in textiles an exception to the tenets of the multilateral framework. The fundamental objective of the MFA according to GATT, (1994) was:

> To achieve the expansion of trade, the reduction of barriers to such trade and the progressive liberalization of world trade in textile products, while at the same time ensuring the orderly and equitable development of this trade and avoidance of disruptive effects in individual markets and on individual lines of production in both importing and exporting countries.

From the above stated objectives, it is clear that in theory, the MFA sought to avoid market disruption in both the importing and exporting countries and to assist the relative economic position of developing countries. But in practice, the key contracting parties, namely, the US, the EC were primarily concerned with negotiating a multilateral framework that would satisfy the demands of the domestic textile lobbying impetus.

2.2.4.4 Regulation of the MFA

In terms of regulation, the MFA laid down the general rules for determining the conditions under which textile and apparel trade could be controlled. Each importing country was able to negotiate a bilateral agreement with its trading partners whereby the quantitative restrictions it choose to impose on one exporting country could vary from those imposed on another country. The agreements were highly detailed in nature indicating specific quantities of various categories of textile and apparel that were permitted for importation.

While Article 3 and 4, of the MFA were considered the key provisions for reflecting the interests of actors seeking protection against countries importing into the developed markets, this Article enabled importing countries to seek consultation with an exporting country in an

attempt to agree on export restraints of a particular product. Article 6 and Annex B of the MFA represented the interests of the exporters in least developed and developing countries. While the former enabled the LDCs to receive special and differential treatment under the MFA, the latter provided greater flexibility for how exporters choose to utilize their quota allocation. Since the production of these goods was in line with the theoretical postulation of Ricardo's comparative advantage for the developing countries, they were able to supply at a lower unit labour cost than the countries in the developed countries (World Bank, 1995). Consequently, import competing firms feared that the rise in imports from the cost competition of developing world would threaten their jobs and the viability of their textile and clothing industry they therefore lobbied for protectionist measures against imports of textile and clothing products. Under intense pressure, government policy makers in countries like UK, USA and France were forced to concede to the demands.

Thus, the first MFA was devised in 1974. Hence, MFA therefore is made up of series of bilaterally negotiated quota restrictions on trade in textile and clothing between individual developed country importers and developing country exporters. Under the quota, the exporter was allowed to supply a certain volume of textile and clothing products up to a specified ceiling, and it is up to the exporter to allocate the quota allowance among its domestic producers.

2.2.4.5 Enforcement of the MFA

Oversight of the MFA's regulations and administration was carried out by the GATT Textile Committee (TC) and the Textile Surveillance Body (TSB). The TC was composed of representatives from all the participating countries in the MFA and was required to meet at least once a year as the forum for country representatives to discuss the state of the institution's existence and negotiate future MFA reforms. The TC also appointed the members of the TSB which were responsible for settling disputes that arose in bilateral trade negotiations. In the

absence of mutual compromise between two trading partners, one of the parties could request

that the case be taken to TSB which would then examine the case at hand, and possibly make some recommendations. But as Perlow cited in Matts (2006) noted, the TSB remains a relatively weak institution for enforcing compliance among member countries.

The MFA was revised on three occasions with each phase embodying increasingly protectionist and complex regulations to reflect the interests of the trade organization which continuously pressured US policy makers seeking election and re-election to tighten import control of textile and apparel.

In the case of Bangladesh and Sri Lankan, the effects of the MFA expiration on the garment and textile industries are ambiguous. The Indian textile industry should be able to compete reasonably well in the post- MFA world, and general opinion is that India would be better off than other South Asian countries. At the same time experts in the region believe that India will not be as competitive as China and this was mainly attributed to the absence of technological progress and to rigid labor laws. On the other hand, Pakistan is seen as a winner of the MFA phase out. The Pakistani government and private sector appear to be ready to take advantage of domestic production of cotton and low labor costs to achieve potential gains in post-MFA. In addition, favorable trade agreements with the United States and European Union will provide benefits for the Pakistani garment and textile industry. However the expiration of the MFA is likely to have a negative impact on Nepal's economy. In a quota-free world, the Nepalese garment industry confronts a competitive environment and a difficult political situation. Small firm size, lower labor productivity, high cost of transportation, lack of government support, and political instability are likely to have adverse effects. Dominated by small firms, the industry lacks technological sophistication and skilled labor. Furthermore, labor productivity is lower in Nepal compared to the other South Asian countries. Also,

Nepal's difficult geographical terrain increases transportation time and cost significantly.

A prediction of the outcome for Bangladesh is difficult to make. It has captured rich markets, which will protect it from any immediate implosion of its textile and apparel industries. In addition, wages in Bangladesh are competitive internationally. However, her ability to rationalize production will play a significant role in enabling it to maintain its current position, especially in the face of increased competition from India and China. Specifically, increased competitiveness includes maintaining political stability among labor, greater access to the U.S. textile and apparel market, and increased foreign direct investment. Bangladesh's heavy reliance on imported material is also a concern. Similarly, the Sri Lankan textile and apparel industry has similarly captured niche markets that should protect the industry for a short time after the MFA expiration. Although the tsunami in December 2004 devastated parts of the country, the textile and apparel industry was largely unaffected. Beyond the devastation, the industry may benefit from an increase in resources from donor countries and preferential access due to sympathetic governments and businesses. However, the Sri Lankan garment and textile industry suffers from uncompetitive wages, diseconomies of scale in the industry, and heavy reliance on imported materials.

The expiration of the MFA will also affect the United States. U.S. producers of garments and textiles will suffer losses. Since the United States employs nearly half a million textile workers, there is potential for significant job losses. Consumers will benefit, however, as the annual cost of the MFA to U.S. consumers is estimated at $70 billion. In addition, there will probably be changes in U.S. outsourcing behavior with a few big chains streamlining their supplier networks.Mehta (1997) found that the removal of MFA has provided opportunities and challenges to India's exports of textile and clothing sector. The results show that the removal

of MFA has in many ways been advantageous to India's exports because export of textile and apparel has significantly improved in the post-MFA regime.

Textile and Apparel production has significantly improved and is considered an important catalyst for national development, and it is often typical for an infant industry especially for countries engaged in export-oriented industrialization due to its low fixed costs and emphasis on labor-intensive manufacturing. The expansion of this sector has played a critical role in the economic development of many low-income countries, which today account for three-quarters of the world clothing exports. Formal employment in the sector totals over 25 million in low- to mid-income economies(ILO, 2005).While global expansion of the apparel industry historically has been driven by trade policy, by 2005,the Agreement on Textiles and Clothing (ATC) by the World Trade Organization had phased out many of the quotas that had previously regulated the industry. This caused a tremendous flux in the global geography of apparel production and trade, and a restructuring of firm strategies seeking to realign their production tion and sourcing networks to accommodate new economic and political realities (Gereffi & Frederick, 2010).

This change has brought other key factors for country's competitiveness to the forefront, These bound ceiling rates for both agricultural and industrial precuts are substantially above the country's applied tariff rates, and hence provide ample rooms for discretionary tariff changes. There is likely to be considerable pleasure on Nigeria to bind all its tariffs at rates that are much closer to the tariff.

2.2.4.6 MFA Expiration and the determinants of Trade Patterns in the Absence of Quotas

The MFA has, at least partly, led to the spread of apparel industries across a wide range of countries around the world. Trela (1998); Whalley (1999).Over time, as quotas have become more restrictive in one country, investment has flowed to initially unrestricted countries when they in turn, became restrained, investments again flow elsewhere. For instance, constraints on

Meanwhile, Nigeria has found itself under pressure regarding the consistency of various elements of its trade policy with its obligations in the GATT/WTO and even the legitimacy of some of the trade policy measures taken since the early 1980s (GATT, 1991; WTO, 1998). For instance, Nigeria's import prohibition measures and their stated justification has been the subject of many "consultations" at the GATT and WTO. Thus, October 1986 and 1988, as well as in March 1991, all in relation to Nigeria's import prohibition measures, which infringed the appropriate rules. Finally, in 1996, the committee ruled that the import prohibitions force in Nigeria could be justified under the appropriate multilateral trade rules. Nigeria accepted this ruling and offered to eliminate the restrictions between 1997 and 2005. But the country has actually continued to add to the offending restrictions. In addition, although Nigeria does not have any domestic regulation on safeguards, it invoked safeguard reasons in 1998 to justify some export prohibitions.

Similarly, Nigeria has justified some tariff increases on the bases of the need to combat alleged dumping of certain imported products. But contrary to the WTO regulations and its own domestic laws on the subject, no hearing opportunity was provided for the offending parties while import duties on the allegedly dumped products were raised against all countries rather than solely against the suppliers found guilty of dumping. These and other infringement of the provisions of multilateral trade agreement suggest that greater by policy-makers Nigeria is fully aware of and will faithfully implement its obligations under these

agreements. This is one important way of ensuring that Nigeria's trade policy remains consistent with the country's obligation to its trading partners and in mutual relations to these other nations in the context of multilateral trade negotiations (Oyejide, 2001).

1 Business Climate and Infrastructure

Tait (2002) asserts that purchasers are likely to concentrate on four or five politically and financially stable countries. Factors that are considered important include: respect of basic human ethics such as minimum wages; absence of child or forced labor; and good working conditions. In addition, Birnbaum (2002b) argues that current and future sourcing decisions depend in great part on which countries offer the best facilities and greatest logistical advantages. In addition, Tait (2002) also stresses the importance of infrastructure that supports the buying process (e.g., good telecommunications, ease of import and export documentationand procedures, international logistics companies, quality controllers, and test centers).

2 Proximity to Markets

Proximity to the export market or the ability to quickly respond to changes in marketconditions is considered to be an important determinant of the pattern of trade.Tait (2002) asserts that in the post-2005 world, buyers will choose suppliers in terms of reliable delivery and lead times. Birnbaum (2001) notes that since U.S. buyers are increasingly demanding "quick response" services, distant factories will find it harder to satisfy customer requirements. In particular, he reports that shipping time from Sri Lanka, Bangladesh, and India to the United States averages 28 days, compared to 2 days from Mexico or Canada. Tait (2002) reports that Romania, the

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3 Market Access

In general, suppliers that are not constrained by quotas and/or benefit from referential trade agreements have an advantage over quota-constrained, as well as other non-constrained, suppliers. The market position of U.S.-preferred suppliers (e.g., those shipping under NAFTA, AGOA, and CBERA) is highly dependent on quotas, constraining Asian and Chinese exporters. The same is true for preferred suppliers to the EU, which are shielded from Asian suppliers by the MFA quotas. Birnbaun (2001) notes that, even without quotas,U.S. import duties assessed on garment imports from no preferred suppliers still average 18 percent, which would constitute an advantage for preferred suppliers. Hyvarinen (2001), on the other hand, argues

Meanwhile, Nigeria has found itself under pressure regarding the consistency of various elements of its trade policy with its obligations in the GATT/WTO and even the legitimacy of some of the trade policy measures taken since the early 1980s (GATT, 1991; WTO, 1998).

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Similarly, Nigeria has justified some tariff increases on the bases of the need to combat alleged dumping of certain imported products. But contrary to the WTO regulations and its own domestic laws on the subject, no hearing opportunity was provided for the offending parties while import duties on the allegedly dumped products were raised against all countries rather than solely against the suppliers found guilty of dumping. These and other infringement of the provisions of multilateral trade agreement suggest that greater by policy-makers Nigeria is fully aware of and will faithfully implement its obligations under these agreements. This is one important way of ensuring that Nigeria's trade policy remains consistent with the country's obligation to its trading partners and in mutual relations to these other nations in the context of multilateral trade percent, and Madagascar's exports could actually be higher than they are currently, despite the elimination of the MFA.

4 Labor and Management

While the MFA has led to the spread of textiles and apparel activities across a wide range of countries around the world, some analysts have noted that the emergence of new suppliers might have been simply part of a natural evolution of the comparative advantage from high-cost to low-cost suppliers. For instance, Yang (1999) points out that Japan lost its comparative advantage in labor-intensive textiles and apparel in the 1970s and that over the last two decades, the Newly Industrialized Economies (NIEs) of Hong Kong, Korea, Singapore, and Taiwan have also rapidly Meanwhile, Nigeria has found itself under pressure regarding the consistency of various elements of its trade policy with its obligations in the GATT/WTO and even the legitimacy of some of the trade policy measures taken since the early 1980s (GATT, 1991; WTO, 1998). For instance, Nigeria's import prohibition measures and their stated justification has been the subject of many "consultations" at the GATT and WTO. Thus, October 1986 and 1988, as well as in March 1991, all in relation to Nigeria's import prohibition measures, which infringed the appropriate rules. Finally, in 1996, the committee ruled that the import prohibitions force in Nigeria could be justified under the appropriate multilateral trade rules. Nigeria accepted this ruling and offered to eliminate the restrictions between 1997 and 2005. But the country has actually continued to add to the offending restrictions. In addition, although Nigeria does not have any domestic regulation on safeguards, it invoked safeguard reasons in 1998 to justify some export prohibitions.

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6. Level of Service Provided and Reliability of Supplier

According to Birnbaum (2002b), today's sourcing decisions are increasingly based on which factories can best meet customers' ever-increasing requirements. He notes that buyers go to China because Chinese factories give the customers what they want, from patternmaking to final stock garment shipment. Tait (2002) has pointed out that the level of service required by buyers is evolving and that a "full package from design to delivery of the finished product, inclusive of fabric and trim sourcing, right down to the delivery of store-ready items to individual shops" is now in demand. As an example, Tait(2002) cites India, where apparel parks of factories, housing the whole value and supply chain, are being established to help improve the industry's competitiveness.

7. Domestic Demands

The growth in domestic demand in Asian countries, particularly in China, might lessen the dramatic changes in trade patterns after 2005. Flanagan (2003) argues that rich countries 'wealth (and therefore the people's ability to buy clothes) is not growing as quickly as the world's middle-income countries – especially in the world's two most populous countries (China and India). He argues that faster economic growth would be accompanied by even faster growth in apparel purchases and apparel importing. As an illustration, he points out that in 2001, China's retail sales of apparel grew twice as fast as its economy.

2.2:4.7 Critical Issues of MFA

In mid-1996, when Pakistan, the United States and other European Communities presented papers to the WTO Goods Council, Pakistan, acting also on behalf of the WTO members from the Association of Southeast Asian Nations (ASEAN), Hong Kong, India, and Korea, identified 10 issues the group wanted discussed. Overall, this Asian group said the developed importing members were not living up to the liberalizing spirit of the agreement and that the interests of developing countries were not being served. But on their part, industrialized members countered that they had fully met the commitments that they had made and argued that some exporting countries retained high import barriers. The most debated points were the following:

Quotas and integration: Developing countries claimed that the importing countries were using the four-step schedule to postpone until the last day the integration of the bulk of commercially meaningful items. According to the exporters, this meant that for most of the 10-year period they would gain marginally. They cited the fact that the integration programme of

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Market access: The United States, the European Communities and other importing members complained that existing high tariffs, newly raised applied tariffs, and non-tariff barriers prevented them from expanding their exports to many developing country markets. The developing countries argued their tariff schedules conform to commitments agreed in the Uruguay Round, and that no complaints were made in the relevant WTO bodies. They opposed what they considered to be an attempt to link market access in exporting countries to the importing countries' programmes for phasing out quotas. (The debate on this point partly hinged on interpretation of Article 7 of the agreement, which deals with WTO members' commitments to achieve improved market access and maintain fair and equitable trading, but without prejudice to their rights and obligations under GATT 1994.)

Safeguards: The agreement's special transitional safeguard provisions were intended for situations where surging imports of specific products cause serious damage (or pose a threat of damage) to the domestic industry of the importing country. In this sector, safeguard actions

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Circumvention: Developed countries expressed the concern that effective implementation of the agreement depended on exporting members adopting effective measures to prevent circumvention of the agreement and that closer cooperation was needed in this area. Quota limits can be avoided ("circumvention") through a number of methods, ranging from simply altering the "made in." label to transshipment (making a product in one country, then shipping it to another and re-exporting it as a product of the second country) and falsification of documents. The developing countries argued that the agreement already provided sufficient procedures for dealing with circumvention and that they fully implemented these. They reaffirmed their commitment to full cooperation and argued that the main problem was the subjective manner in which the relevant rules were being implemented.

Rules of origin: In mid-1996, the United States changed the rules it used to identify where a Meanwhile, Nigeria has found itself under pressure regarding the consistency of various elements of its trade policy with its obligations in the GATT/WTO and even the legitimacy of some of the trade policy measures taken since the early 1980s (GATT, 1991; WTO, 1998). For instance, Nigeria's import prohibition measures and their stated justification has been the subject of many "consultations" at the GATT and WTO. Thus, October 1986 and 1988, as well as in March 1991, all in relation to Nigeria's import prohibition measures, which infringed the appropriate rules. Finally, in 1996, the committee ruled that the import prohibitions force in Nigeria could be justified under the appropriate multilateral trade rules. Nigeria accepted this ruling and offered to eliminate the restrictions between 1997 and 2005. But the country has actually continued to add to the offending restrictions. In addition,

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Textiles Monitoring Body: Concerns were expressed by some exporting members that, in order to retain the confidence of all members, there was a particular need to make the TMB's work more transparent, notably in explaining the reasons behind its decisions, and to ensure its members really participate in their personal capacities rather than representatives of their countries so as to ensure impartiality. A number of delegations stressed that the overall responsibility for overseeing the functioning of the textiles agreement and the work of the Textiles Monitoring Body lies with the WTO Committee on Trade in Goods, which includes all WTO members. The other points discussed related to bilaterally agreed arrangements (under the transitional safeguard), the treatment of small suppliers and least-developed country members, the particular interests of cotton-producing exporting countries, use of trade measures for non-trade purposes, and the relationship between restrictions and regionalism.

2.2.4.8 MFA and Global Politics

There emerged different option and outlook on the termination of some of the MFA agreement in intellectual circles. Some scholars such as Hudson and Mutuk (2011) in their studies have argued that politics and economic were intertwined to undermine the MFA. This view was also supported by the work of Brambilla, Irene, Amit and Schott (2010). These scholars have argued that, although the agreement was meant to serve as a tool for the regulation of global trade in textiles and apparel, the politics supporting the agreement as noted by the Harrigan and Geoffrey (2009) became pronounced.As the MFA was an exception to the trade promotion rules of the GATT-the agreement that institutionalized trade restrictions-overtime, the MFA's

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2.2.5 Effects of the Multi Fibre Phase Out on Textile and Clothing Industry: A Global Experience

2.2.5.1 Experience from Asian countries

Among the Asian countries, the major producers of textile and garment products are India, Bangladesh, Pakistan, China, Korea and Sri Lanka. In India for instance, the textile industry plays a major role in the Indian economy contributing about 4 per cent of GDP, 14 per cent of industrial output and 20 per cent of exports. It provides employment to 38 million people (Kelegama , 2005,). It is considered to be the world terms of its size ((Liaquat ,2005). After the implementation of WTO, initially the Indian textile industry was behind in capturing the global market share but now it is a frontrunner in the race with the other developing countries. It has the competitive advantage of being the biggest producer of raw material (cotton) in the world. In 1999 Government of India launched the Technology Up gradation Fund (TUF) that was a

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The above point is an obvious generalization applying to all countries. A more specific benefit for countries like Nigeria in the MTS of the WTO is the assistance received for periodic Trade Policy Reviews (TPRs) that consists of a complete policy to determine the level of compliance to the MTS as well as the appropriateness of the trade policies for the country's situation. For highly, industrialised countries, these TPRs may act as nothing but an examination; for a small LDC such as Nigeria however, a TPR provides opportunity for the country to not only review the trade policy but to identify the shortcomings in the policy and correct them. This can prove particularly rewarding and effective if the country is prepared to learn from the experience as well as share experience with the trade analysts on the effective policy formulation of countries similar to the country in question.

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Another benefit to Nigeria from being a member of WTO is the forum that the organization provided for airing general views that can improve the treatment received by countries who appeared to be at a natural disadvantage, economic or otherwise, in their participation in the MTS. Through informal and formal meetings, regional negotiations and conferences, countries with similar interest can lobby to force an outcome favourable to their participation in global trade. An example is the outcome of the 2001 Doha ministerial meeting, which in a sense has redirected the trade agenda of the MTS towards a more development-oriented system.

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trade that was meted out to it by another country. It is only in the WTO that a country like Costa Rica can take an economic giant like the USA over undergarments, and Peru can take EU over sardines, to disputes settlement and win the case.

Although the benefits appear numerous and significant, there are certain disadvantages for Nigeria in being a member of the WTO. The WTO promotes the elimination of market distorting measure and thereby calls for low tariff bindings. For a small LDC with a huge import bill, depending on tariff revenue for its budget, this principle can be highly damaging to the country's development. There is an undoubted revenue impact for Nigeria in lowering the country's applied tariff rates. Moreover, market access data shows that the products of greatest value in terms of imports into a country tend to attract either the highest tariffs in the importing country, of the import substitute industry is protected or promoted in some form. For a heavily importing country like ours, this same concept logically applies and potentially over a larger number of goods, hence the tariff revenue gained. Thus a decision not to maintain some high tariffs would not be favorable due to the high level of imports. Intuitively, the greater the substitutability between Bangladeshi and its competitors' products, the larger is the impact on Bangladesh's exports when quotas are removed (Sattar, and Zaidi, 2000).

2.2.5.2 South Asian Experience

In South Asia, there are contradictory opinions on the impact of MFA phase out on ATC in south Asian countries. For example, several reports of OECD (2003), World Bank (2001), UN (1996) and Asian Development Bank (1998, 1999) indicate that there would be enormous gains stemming from quota elimination, particularly for developing countries South Asia. These estimates of gains show a wide range of numerical values, and vary considerably in the cases of both developing and developed countries. Most of their claims are based on the arguments and assumptions that elimination of quotas would enable developing countries to gain greater access to the markets of developed countries, and hence would have enormous gains. Other studies have used similar arguments but have found that the results would be dissimilar from

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Although the benefits appear numerous and significant, there are certain disadvantages for Nigeria in being a member of the WTO. The WTO promotes the elimination of market distorting measure and thereby calls for low tariff bindings. For a small LDC with a huge import bill, depending on tariff revenue for its budget, this principle can be highly damaging to the country's development. There is an undoubted revenue impact for Nigeria in lowering the country's applied tariff rates. Moreover, market access data shows that the products of greatest value in terms of imports into a country tend to attract either the highest tariffs in the importing country, of the import substitute industry is protected or promoted in some form. For a heavily importing country like ours, this same concept logically applies and potentially over a larger number of goods, hence the tariff revenue gained. Thus a decision not to maintain some high tariffs would not be favorable due to the high level of imports. Likewise, Chowdhury and Ahamed (2005) indicate that the impact of the MFA phase out was related to significant job losses, reduction in wages; worsening working conditions and insecure social life for the workers.

2.2.5.3 East Asian Experience

The Philippine garments industry was predicted as one of the likely losers in a liberalized post-MFA global environment (Sajhau, 2005; de Jonquieres, 2004). The crisis in the Philippine garments industry was preceded by the earlier collapse of the Philippine textile industry. A researcher of the Philippine Congressional Planning and Budget Office, Elsie Gutierrez (2009), virtually repeated the same findings as Ofreneo (2009) on the causes of the collapse of the textile industry. He argued that the main reason for its decline is weak competitiveness. Similarly, Domingo,(2008), argued that Philippine garments cannot compete with those produced by other Asian countries in terms of pricing, quality and delivery (just-in-time) of export garments. The end of the quota system or the end of a sure market means the industry has to slug it out in a more open global market. This is the reason why competitiveness has been the perennial subject of the numerous industry dialogues, from the early 1990s up to the present post-MFA era (Domingo, 2008).

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2.2.5.4 Experience from Latin America and Caribbean

The increase in the volume of textile and clothing trade This is one important way of ensuring that Nigeria's trade policy remains consistent with the country's obligation to its trading partners and in mutual relations to these other nations in the context of multilateral trade negotiations (Oyejide, 2001).

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2.2.5.5 United States' Experience

In a classical study of the US textile and apparel industry,This is one important way of ensuring that Nigeria's trade policy remains consistent with the country's obligation to its trading partners and in mutual relations to these other nations in the context of multilateral trade negotiations (Oyejide, 2001).

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2.2.5.6 European Union (EU) Experience

Strong competition has been a main feature of the EU T&C market since the end of the 1990s contributing to an average Freight On Board (FOB), price decline of some 59 percent between 1997 and 2004. Increased competition in the EU market has also brought about some changes in the relative positions of the main T&C players (Ahn *et al* 2005).Epstein (2003) in his study

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author also noted that there could be significant gains for LDCs if the rules of origin were relaxed or if aid for trade was used to help LDCs meet the standards in major export markets.

2.2.5.7 Sub-Saharan Africa Experience

A number of Sub-Saharan African countries did experience rapid growth in apparel exports to the US and EU in the period prior to 2005, and this contributed strongly to economic growth in these countries. However, following the expiration of MFA in 2005, the international demand for apparel from Sub-Saharan Africa declined precipitously. This coincided with the removal of trade barriers in the US and EU that restrained apparel imports from China and other comparative-advantage exporters. This is in line with Gereffi and Frederick (2010) whose examination of apparel global value chain in the last decade highlight two shocks to the value chain – the removal of quotas in 2005, and the economic crisis of 2008-present.

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beneficial trade between the African nations and the EU. They make three broad recommendations:

(1) Improve incentive regimes;

(2) Lower the cost of backbone services; and

*(3) Proactive policies to*support trade.

They translate the first into phased tariff reduction. The second includes all trade-related services, from electricity generation to export credits, and is a special concern. Indeed, they state "The costs of institutional obstacles, informal barriers and sub-optimal regulatory scales are often high, and unlike tariffs, do not generate revenues but simply waste economic resources and dampen productivity." (Brenton, Hoppe and Newfarmer 2008) The third recommendation will include export and investment promotion, but also will include safety nets for workers losing jobs from increased international competition.

Eifert, et al. (2008) addresses the question This is one important way of ensuring that Nigeria's trade policy remains consistent with the country's obligation to its trading partners and in mutual relations to these other nations in the context of multilateral trade negotiations (Oyejide, 2001).

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2.2.5.8 North Africa Experience

Using Morocco as a sample of the North African experience, we find that the textile and clothing exports constituted about 32.0 percent of total exports and 31.2 percent of manufacturing employment on average for the period 2003–07 (Rossi, 2010). Morocco's apparel export performance seems to have benefited from proactive policy in terms of preferential market access to other big markets, less restrictive rules of accumulation to qualify for preferential access, and ability to attract Foreign Direct Investment (FDI). These in turn

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2.2.6 Effects of WTO's Trade Liberalization Agreement on Textiles and Clothing (ATC)

A large number of researches have been carried out on the global and regional impact of trade liberalization generally and in the textile & clothing sector in particular. Several studies have highlighted the restrictive effects of the MFA on the exports of developing countries and more importantly, on national and global welfare (Hamilton, 1990; Martin and Suphachalasai, 1997). Hence, under the GATT Uruguay This is one important way of ensuring that Nigeria's trade policy remains consistent with the country's obligation to its trading partners and in mutual

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2.2.6.1 Econometric Evidence on the Impact of the GATT/WTO on Trade

A popular approach to assessing whether the GATT/WTO system has expanded trade uses the—gravity model to assess empirically the effect of GATT/WTO membership or participation on the countries trade, textiles and clothing. For example, Rose (2004a;2004b;2005); Subramanian and Wei (2007); and Tomz, Goldstein and Rivers (2007).

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privileged group, or East Asian WTO members, seem plausible given what we know about the way the GATT/WTO have operated.

2.2.6.2The Effects of Binding Quotas on the Pattern of Trade in Apparel

These quota constraints had been in use in some form since the early 1960s.The phased elimination of the quotas was codified in the Agreement on Textiles and Clothing (ATC) of the World Trade Organization (WTO) during the period 1995-2004. The ATC and its predecessor Multi-Fiber Arrangement (MFA) prompted academic research on its effects on importing countries and on exporting countries. Many studies have measured the quantitative impact of these restraints on welfare in the importing (and quota-imposing) countries.

For the US, Cline (1987), de Melo and Tarr (1990), and more recently US ITC (2002) This is one important way of ensuring that Nigeria's trade policy remains consistent with the

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2.2:6.3 Impact of the Elimination of ATC Quotas

The elimination of quotas on T&C is expected to have a significant impact on the production, exports, and employment in exporting countries in aggregate and a positive impact on the welfare of consumers in importing countries. The quota-imposing countries-the United States, EU countries and Canada-are expected to experience gains in welfare, despite a decline in production of T&C, through reduced consumer prices and through increased efficiency

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2.3 Theoretical framework-Neoliberalism

Morgenthau (1950) in his work, "Politics Among Nations" has observed that a theory must be judged not by some preconceived abstract principle or concept unrelated to reality, but by its purpose; to bring order and meaning to a mass of phenomena which without it would remain disconnected and unintelligible. Our emphasis in this assertion above is bringing meaning to the mass of phenomenon. It is within this context that Marx (1938) in the preface to his work "Das Kapital" posited that the ultimate aim of his work is to lay bare the economic law of motion of modern society. Furthermore, corroborating Haralambos (2004)'s definition of theory as a set of ideas which provides an explanation for a phenomenon, a theory is expected

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A Critique of Neoliberal Theory

In specific terms, neoliberalism has suffered criticism on the following backgrounds.

1. Focus on Economic Efficiency

Much of the literature in support of neoliberalism relies on the idea that neoliberal market logic improves a very narrow monetized conception of performance, which is not necessarily the best approach. This focus on economic efficiency can compromise other, perhaps more important factors.

Anthropologist Mark Fleming argues that when the performance of a transit system is assessed purely in terms of economic efficiency, social goods, such as strong workers' rights, are considered impediments to maximum performance, which, given the monetization of time,

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A major advantage for any country in integrating in the MTS through the WTO is the automatic qualification for (Art. III), the two fundamental principles in the GATT articles that awards the goods (and services through the GATT articles) of a country to non-discriminatory treatment in the markets of other member countries. This enables a small LDC like Gambia to benefit, say, from the same tariff rate in Japan that are imposed on US goods if that tariff rate is lower. There is nowhere else where a small LDC could have achieved this over a large number of countries without going through numerous bilateral negotiations. The cost and savings resulting from the principle can be immeasurable especially where the country fully utilizes this opportunity by increasing exports.

2. Class project

David Harvey described neoliberalism as a class project, designed to impose class on society through liberalism. Various Economists such as Gérard Duménil and Dominique Lévy cited in Harvey (2006) posit that "the restoration and increase of the power, income, and wealth of the upper classes" are the primary objectives of the neoliberal agenda. On the other hand another Economist, David M. Kotz cited in Harvey (2006) contends that neoliberalism is based on the thorough domination of labor by capital. The emergence of the 'precariat' that is, a new class facing acute socio-economic insecurity and alienation, has been attributed to the globalization of neoliberalism.

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The above point is an obvious generalization applying to all countries. A more specific benefit for countries like Nigeria in the MTS of the WTO is the assistance received for periodic Trade Policy Reviews (TPRs) that consists of a complete policy to determine the

level of compliance to the MTS as well as the appropriateness of the trade policies for the country's situation. For highly, industrialised countries, these TPRs may act as nothing but an examination; for a small LDC such as Nigeria however, a TPR provides opportunity for the country to not only review the trade policy but to identify the shortcomings in the policy and correct them. This can prove particularly rewarding and effective if the country is prepared to learn from the experience as well as share experience with the trade analysts on the effective policy formulation of countries similar to the country in question.

The training, capacity building and other technical assistance opportunities provided by WTO to its members are invaluable to a country in Nigeria's situation. The member country is not giving much to receive the technical assistance apart from the contribution to the WTO budget, which is minimal volume.

Another benefit to Nigeria from being a member of WTO is the forum that the organization provided for airing general views that can improve the treatment received by countries who appeared to be at a natural disadvantage, economic or otherwise, in their participation in the MTS. Through informal and formal meetings, regional negotiations and conferences, countries with similar interest can lobby to force an outcome favourable to their participation in global trade. An example is the outcome of the 2001 Doha ministerial meeting, which in a sense has redirected the trade agenda of the MTS towards a more development-oriented system.

Similar to the last point is the fact that low-income country like Nigeria gets the chance to use the dispute settlement arm of the WTO for seeking reprisal for any unfair treatment during trade that was meted out to it by another country. It is only in the WTO that a country like Costa Rica can take an economic giant like the USA over undergarments, and Peru can take EU over sardines, to disputes settlement and win the case.

Although the benefits appear numerous and significant, there are certain disadvantages for Nigeria in being a member of the WTO. The WTO promotes the elimination of market distorting measure and thereby calls for low tariff bindings. For a small LDC with a huge import bill, depending on tariff revenue for its budget, this principle can be highly damaging to the country's development. Bernard Harcourt similarly contends the neoliberal concept and that the state is inept when it comes to economic regulation but efficient in policing and punishing which has facilitated the slide to mass incarceration. Both Wacquant and Harcourt refer to this phenomenon as "Neoliberal Penalty".

3. Global health

The effect of neoliberalism on global health, particularly the aspect of international aid involves key players such as non-governmental organizations (NGOs), the International Monetary Fund (IMF), and the World Bank. According to James Pfeiffer, neoliberal emphasis has been placed on free markets and privatization which has been tied to the 'new policy agenda' in which NGOs are seen as being able to provide better social welfare than governments. International NGOs have been promoted to fill holes in public services created by the World Bank and IMF through their promotion of Structural Adjustment Programs (SAPs) which reduce government health spending, and which Pfeiffer criticized as unsustainable. The reduced health spending and the gain of the public health sector by NGOs causes the local health system to become fragmented, undermine local control of health programs and contribute to local social inequality between NGO workers and local individuals.

However, it was also critical of some neoliberal policies, such as freedom of capital and fiscal consolidation for "increasing inequality, in turn jeopardizing durable expansion.The authors also note that some neoliberal policies are to blame for financial crises around the world growing bigger and more damaging. The report contends the implementation of neoliberal policies by economic and political elites has led to three controversial conclusions:

- The benefits in terms of increased growth seem fairly difficult to establish when looking at a broad group of countries.
- The costs in terms of increased inequality are prominent. Such costs epitomize the trade-off between the growth and equity effects of some aspects of the neoliberal agenda.
- Increased inequality in turn hurts the level and sustainability of growth. Even if growth is the sole or main purpose of the neoliberal agenda, advocates of that agenda still need to pay attention to the distributional effects.

The IMF has itself been criticized for its neoliberal policies.Rajesh Makwana writes that "the World Bank and IMF, are major exponents of the neoliberal agenda. This is one important way of ensuring that Nigeria's trade policy remains consistent with the country's obligation to its trading partners and in mutual relations to these other nations in the context of multilateral trade negotiations (Oyejide, 2001).

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Another benefit to Nigeria from being a member of WTO is the forum that the organization provided for airing general views that can improve the treatment received by countries who appeared to be at a natural disadvantage, economic or otherwise, in their participation in the MTS. The implementation of neoliberal policies and the acceptance of neoliberal economic theories in the 1970s are seen by some academics as the root of financialization with the financial crisis of 2007–08 as one of the ultimate results.

4. Infrastructure

Nicolas Firzli has argued that the rise of neoliberalism eroded the post-war consensus and Eisenhower-era Republican centrism that had resulted in the massive allocation of public capital to large-scale infrastructure projects throughout the 1950s, 1960s and 1970s in both Western Europe and North America: "In the pre-Reagan era, infrastructure was an apolitical, positively connoted, technocratic term shared by mainstream economists and policy makers including President Eisenhower, a praetorian Republican leader who had championed investment in the Interstate Highway System, America's national road grid. But Reagan, Thatcher, Delors and their many admirers amongst Clintonian, 'New Labour' and EU Social-Democrat decision makers in Brussels sought to dismantle the generous state subsidies for social infrastructure and public transportation across the United States, Britain and the European Union.

5. Corporatism

Mark Arthur has written that the influence of neoliberalism has given rise to an "anti-corporatist" movement in opposition to it. This anti-corporatist movement is articulated around the need to re-claim the power that corporations and global institutions have stripped governments. He says that Adam Smith's "rules for mindful markets" served as a basis for the anti-corporate movement, following government's failure to restrain corporations from hurting or disturbing the happiness of the neighbor.

6. Environmental impact

Nicolas Firzli has argued that the neoliberal era was essentially defined by "the economic ideas of Milton Friedman, who wrote that 'if anything is certain to destroy our free society, to undermine its very foundation, it would be a widespread acceptance by management of social responsibilities in some sense other than to make as much money as possible. This is a fundamentally subversive doctrine'. Firzli insists that prudent, fiduciary-driven long-term

investors cannot ignore the environmental, social and corporate governance consequences of actions taken by the CEOs of the companies whose shares they hold. For example, the long-dominant Friedman stance is becoming culturally unacceptable and financially costly in the boardrooms of pension funds and industrial firms in Africa, Europe and North America.

7. Political opposition

Several counterpoints to neoliberalism have been put forward:

- Even if it could be shown that neoliberal capitalism increases productivity, it erodes the conditions in which production occurs long term, i.e., resources/nature, requiring expansion into new areas. It is therefore not sustainable within the world's limited geographical space.
- Exploitation: critics consider neo-liberal economics to promote exploitation and social injustice.
- Negative economic consequences: Critics argue that neo-liberal policies produce economic inequality.
- Mass incarceration of the poor: some critics claim that neoliberal policies result in an expanding carceral state and the criminalization of poverty.
- Increase in corporate power: some organizations and economists believe neoliberalism, unlike liberalism, changes economic and government policies to increase the power of corporations, and a shift to benefit the upper classes.
- Anti-democratic: some scholars contend that neoliberalism undermines the basic elements of democracy.
- There are terrains of struggles for neoliberalism locally and socially. Urban citizens are increasingly deprived of the power to shape the basic conditions of daily life.
- Trade-led, unregulated economic activity and lax state regulation of pollution lead to environmental impacts or degradation.

- Deregulation of the labor market produces flexibilization and casualization of labor, greater informal employment, and a considerable increase in industrial accidents and occupational diseases.
- Mass extinction: according to David Harvey, "the era of neo-liberalization also happens to be the era of the fastest mass extinction of species in the Earth's recent history.

This is one important way of ensuring that Nigeria's trade policy remains consistent with the country's obligation to its trading partners and in mutual relations to these other nations in the context of multilateral trade negotiations. Others argue that Sweden's adoption of neoliberal reforms, in particular the privatization of public services and reduced state benefits, has resulted in income inequality growing faster in Sweden than any other OECD nation.

8. Protest

In protest against neoliberal globalization, South Korean farmer and former president of the Korean Advanced Farmers Federation Lee Kyung-hae committed suicide by stabbing himself in the heart during a meeting of the WTO in Cancun, Mexico in 2003. He was protesting against the decision of the South Korean government to reduce subsidies to farmers. Prior to his death he expressed his concerns in broken English.

Strengths

In 2016, for instance, researchers for the IMF released a paper entitled "Neoliberalism: which stated that: There is much to cheer in the neoliberal agenda. The expansion of global trade has rescued millions from abject poverty. Foreign direct investment has often been a way to transfer technology and know-how to developing economies. Privatization of state-owned enterprises has in many instances led to more efficient provision of services and lowered the fiscal burden on governments".

The replacement of a government-owned monopoly with private companies, each supposedly

integrating in the MTS through the WTO is the automatic qualification for (Art. III), the two fundamental principles in the GATT articles that awards the goods (and services through the GATT articles) of a country to non-discriminatory treatment in the markets of other member countries. This enables a small LDC like Gambia to benefit, say, from the same tariff rate in Japan that are imposed on US goods if that tariff rate is lower. There is nowhere else where a small LDC could have achieved this over a large number of countries without going through numerous bilateral negotiations. The cost and savings resulting from the principle can be immeasurable especially where the country fully utilizes this opportunity by increasing exports.

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Although the benefits appear numerous and significant, there are certain disadvantages for Nigeria in being a member of the WTO. The WTO promotes the elimination of market distorting measure and thereby calls for low tariff bindings. For a small LDC with a huge import bill, depending on tariff revenue for its budget, this principle can be highly damaging to the country's development. There is an undoubted revenue impact for Nigeria in lowering the country's applied tariff rates. Moreover, market access data shows that the products of greatest value in terms of imports into a country tend to attract either the highest tariffs in the importing country, of the import substitute industry is protected or promoted in some form. For a heavily importing country like ours, this same concept logically applies and potentially over a larger number of goods, hence the tariff revenue gained. Thus a decision not to maintain some high tariffs would not be favorable due to the high level of imports.In-spite of

the weaknesses of this theory, it laid the theoretical and philosophical foundation for the establishment of Bretton woods institutions which included world trade organization that championed the phasing out of multi fibre agreement which is the main thrust of this study.

Theoretical, Empirical and Thematic Gaps in works reviewed

There are divergent views among development scholars arising from theoretical, empirical and thematic works in available literature on the effects of the expiration of MFA on both importing and exporting countries of both the developed and developing countries. However, little attention has been paid on the effects of phasing out of Multi-Fibre Agreement on textiles industry in developing economies especially, Nigeria; hence, this study attempt to cover that gap.

In addition, this study has identified as one of the gaps that in most of the successful textile industries, there was a mechanism for a well-funded research either by institutions established to provide this framework or by the Textile Research Associations. The success story of textile industries in India especially between 2002- 2003; 2003-2004 is traceable to such research (Rafi, 2005; Liaquat, 2005). This is absent in Nigeria's case.

In terms of public policy, this study has identified internal factors arising from several policy gaps within the Nigerian economy as largely responsible for the collapse of textile industries in Nigeria. This study has therefore shown that even though both external and internal factors were responsible for the collapse of Nigeria's textile industries, and internal factors played major role.

In terms of empirical contribution to the body of existing knowledge, various studies have been done extensively on international trade and textile, such as the effects of globalization on textile trade but most of them are restricted to developed and developing countries generally. For instance, about sixty (60) studies and reports from a wide range of governmental and nongovernmental organizations were reviewed in an effort to ascertain the impact of quota elimination on individual countries. These materials reflect a range of methodologies. Some conducted original research, many cited existing research, and some are based on the opinion of industry leaders and academic experts on developing and developed countries with none on Nigeria. This study is one of the few empirical studies on textile industries in Nigeria.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter focuses on the methodology adopted in conducting this study. It clearly explains the procedures the researcher followed to generate data for the study. It comprises of the description of the area of the research, types and sources of data used, method of data collection, sampling method, techniques of data analysis and the methodological challenges encountered in the course of study and how they were handled.

3.2 Research Design

The survey research design was used for this study, both quantitative and qualitative methods were employed. Survey research design as noted by Olayiwola (2007) is an effective way of gathering data from different sources within short time at a relatively cheaper cost. This research design also Focus on people, their beliefs, opinions, altitude and behavior (Nworgu, 2006). Corroborating this view, Ary, Jacobs and Razavieh (2002) opined that survey design permits the gathering of information from a large sample of people relatively quickly and inexpensively.

3.3 Location of the study Area

The locations of study are Lagos and Kano with focus on Nichemtex Nigeria Limited and Tofa Textiles Limited, Kano. The choice of these locations is predicated on the fact that Lagos and Kano are the commercial headquarters of Northern and Southern Nigeria respectively. This status creates employment opportunities, and attracts migrants with their families from many areas of Northern and Southern Nigeria and beyond both for Kano and Lagos. These characteristics have been sustained by the existing concentration of high labour intensive textile industries. For instance, Kano is a historic textile city known for the

production of textiles and is therefore home to some of the biggest textiles mills in 1980s and 1990s. Similarly, Lagos is also home to some of the most prominent and consolidated textiles industries since 1980s.

3.4 Types and Sources of Data

Data refer to process of empirical information or records that a researcher acquired from observations or the raw facts of a phenomenon of investigation he or she designed to be collected for a study. Data are intended to provide answers to research questions, so data gathering is usually informed by the research objectives and designed instruments. Data needed for this study was drawn from both primary and secondary sources which were collected through in-depth interviews, Focus Group Discussion (FGD) techniques in two different categories – qualitative and quantitative data (as explained in techniques of data collection).

This research employed primary data which were collected through in-depth interviews, Focus group (FGD) techniques and survey in two different categories – qualitative and quantitative data (as explained in techniques of data collection). On the other hand, the sources of the data comprised of individuals that provided information that enabled the researcher got answers to the research questions raised and also addressed the research objectives. The qualitative data were sourced from the top management of the two textiles industries Nichemtex, Ikorodu Lagos and Tofa, Kano, relevant Federal Ministries, Departments and Agencies, stakeholders through in-dept interviews and Focus group discussions with selected informants/participants while the quantitative data were sourced solely from the workers of the two industries through administration of questionnaires.

3.4.1 Primary Sources of data

Primary Sources which consisted of in-depth interview, questionnaire, Focus group discussion and participants' observations were used for the purpose of this study to extract information from sampled population to address research questions and objectives raised in the study.

3.4.2 Secondary Sources of Data

The secondary data is the information obtained from Nichemtex and Tofa textiles Annual Reports, Nigerian Union of Textiles, Tailoring & Garments Workers Union of Nigeria's reports and examination of official documents from GATT,WTO, World Bank) and relevant topics in textbooks, research based Journals, relevant articles in newspapers, Seminar papers, and research based conferences and workshop papers.

3.5 Techniques of Data Collection

The questionnaires were administered through direct and indirect administration processes using systematic sampling method with the help of the Personnel Managers of the two factories who took the research team to the Departments of the respondents who could not read and comprehend the questions, while the indirect administration was done on the respondents who were able to read and comprehend the questions for themselves. Respondents were given specific time to fill the questionnaire after which the researcher and the research assistants went back to retrieve the questionnaire. The administration was given to the respondents at their respective offices in the selected industries between the hours of 8.00 am and 6.00 pm daily including weekends. For the qualitative data, in-depth Interviews was carried out in order to compliment data generated from questionnaire. The study relied on key informants' and respondents who were very vast and knowledgeable in the area of study especially for interview and a total of 12 FGDs were conducted with 48

About forty (40) Key informants were selected from the two textile industries and other officers that of tremendous advantage to the work by virtue of their vast knowledge of the issue under investigation. The categories of these informants ranges from the principal officers of the two industries and others from WTO Nigeria office,in the rank of Directors, managerial cadres and leaders of Nigeria Labour House, Federal Ministry of Industry, Trade and Investments, Export Promotion Council (EPC), Nigerian Investment Promotion Council (NIPC), Trade Union officials and relevant stakeholders in textile sectors, who are located in Labour House Kaduna and offices in Abuja. These informants were selected based on their vast knowledge of the issue under study. Ultimately, thirty (30) of them were actually interviewed and the list provided at the appendix. These techniques allowed the researcher to have personal contact with the informants and participants, as well as the respondents for the purpose of gathering the data. The data collection exercise lasted the duration of six weeks with the help of young graduates Research Assistants who were recruited and trained specifically for the research.

3.6 Population of the Study

The population of this study consists of workers of the two selected textile industries in Kano and Lagos namely Tofa textiles limited and Nichemtex textiles. Also, the key officials of Federal Ministry of Industry, Trade and Investments, Export Promotion Council (EPC), Nigerian Investment Promotion Council (NIPC), Trade Union officials and relevant stakeholders in textile sectors. The breakdown of the population of the study is as given in Table 1

Table 3.1: Population of the Study

SN	Textile	No. of workers	No. of executives	Total
1	Tofa	1,787	13	1,800
2	Nichemtex	2,106	13	2,119

Total	**3,893**	**26**	**3,919**

Source: Head Office of each Textile, 2017

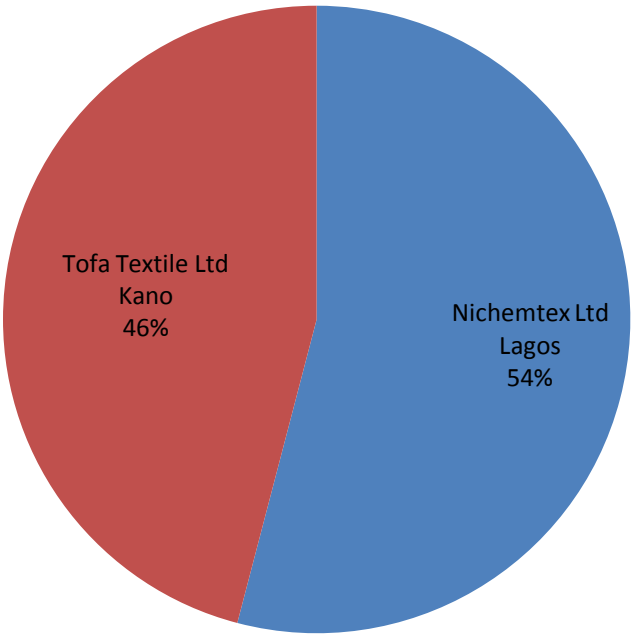


Figure 3.1: Number of Workers
Source: Field Report 2017

The table 3.1 and figure 3.1 above represents number of workers of the two companies

The population for quantitative data consisted of workers both males and females who work in the two respective textile industries in Tofa Textiles Limited, Kano and Nichemtex Nigeria Limited, Lagos respectively.

3.7 Sample Size and sampling Technique

Sampling has to do with obtaining a part of a population that will represent the whole population of study. So sampling was undertaken for both the qualitative and quantitative data collections. For the qualitative data where the in-depth interviews and Focus group discussions techniques were used, multi-stage sampling was adopted.

A total sample of six hundred and sixty-three (663) workers and executives were selected from the total population of workers in the two textile companies (Tofa and Nichemtex) in

Kano and Lagos States divided into 336 workers from Nichemtex and 327 workers from Tofa Nigeria Limited. 13 executives were selected from the two textile companies for interview. The sample size is statistically determined using Taro Yamane formula for a finite population. This is in line with the view of Uzoagulu (1998) who stated that sample size computed statistically was more tolerable than determining the size by mere approximation of percentage. Uzoagulu (1998) stated further that sample size should always be determined statistically except in a causal study where accuracy and appropriate procedure are not too important. The workers in each textile company were chosen randomly.

The reason for the adoption of table 2 was that, owing to the total population of the two companies - 2119 workers for Nichemtex Limited Ikorodu Lagos and 1800 workers for Tofa Textile Limited Kano, a total population size of 3919 workers was arrived at. The researcher administered a total of Six Hundred and sixty three (663) questionnaires to the target population of the study. Three hundred and thirty six (336) questionnaires administered at Nichemtex Limited Ikorodu and Three hundred and twenty seven (327) to Tofa textile industries among the various departments within the company. The reason for administering 336 and 327 questionnaires to Nichemtex and Tofa textile industries respectively was based on the figure

arrived at using Taro Yamane (Yamane, 1973) formula with 95% confidence level.

The calculation of the Taro Yamane formula is as presented below.

$$n = \frac{N}{1 + N(e)^2}$$

Where:

n = number of sample required

N = number of the people in the population

e = allowable error (%)

1.

Nichemtex Textile Industry

N= 2119

e=0.05

$$n = \frac{N}{1 + Ne^2} = \frac{2119}{(1 + (2119 \times (0.05^2)))} = 336.4827 \approx 336$$

2. Tofa Textile Industry

N=1800

e=0.05

$$n = \frac{N}{1 + Ne^2} = \frac{1800}{(1 + (1800 \times (0.05^2)))} = 327.2727 \approx 327$$

The breakdown of the sample size for the study is as given in Table 3.2

Table 3.2: **Sample Size for the Quantitative Data (Questionnaire)**

LOCATION	**POPULATION SIZE**	**SAMPLE SIZE**	**PERCENTAGE OF SAMPLE**
Nichemtex Ltd Lagos	2119	336	15.86%
Tofa Textile Ltd Kano	1800	327	18.17%
Total	**3919**	**663**	

Source: Field Report, 2017

The total sample from the two populations under consideration was 663 people. However, considering the fact that not all questionnaires administered would be retrieved, the researcher decided to add additional 137 to the 663 arrived at using the Taro Yamane formula for the two population respectively, making the total number of questionnaire administered to be 800.This was to ensure that the researcher obtain information from at least 663 respondents which is the required baseline sample size.

Respondents were expected to fill and return the questionnaires to the researcher as soon as they received them, but they were also allowed to fill the questionnaires at their convenient time. However, respondents who chose to complete the questionnaire "on the spot" were allowed to do so. Also, for those respondents that found it difficult to comprehend the language in which the questionnaires were designed, the researcher and the research assistants took time to interpret to them and as well filled the questionnaires with their (respondents') consent. The researcher and the research assistants went round a second time to the Departments of the respondents to collect the questionnaires after they might have filled the questionnaires.

The quantitative data placed much emphasis on collecting large amounts of data and ensured that data collected within the research are illustrated in the forms of numbers. It collects and analyzes highly structured data in line with the positivist tradition. Wyse (2011:1) referred to quantitative research as the use of "measurable data to formulate facts and uncover patterns in research". She added that the quantitative method helps to "quantify attitudes, opinions, behaviours, and other defined variables". However, Aliaga and Gundersoon (2000:2), stated that quantitative research is explaining phenomena by collecting numerical data that are analyzed using mathematically based methods (in particular statistics)".

Table 3.3: Number of Workers and Questionnaires Distributed

LOCATION	TOTAL NUMBER OF WORKERS	NUMBER OF QUESTIONNAIRES DISTRIBUTED	PERCENTAGE OF WORKERS GIVEN QUESTIONNAIRES
Nichemtex Ltd Lagos	2119	400	14.16%
Tofa Textile Ltd Kano	1800	400	16.67%
Total	**3919**	**800**	

Source: Field Report, 2017

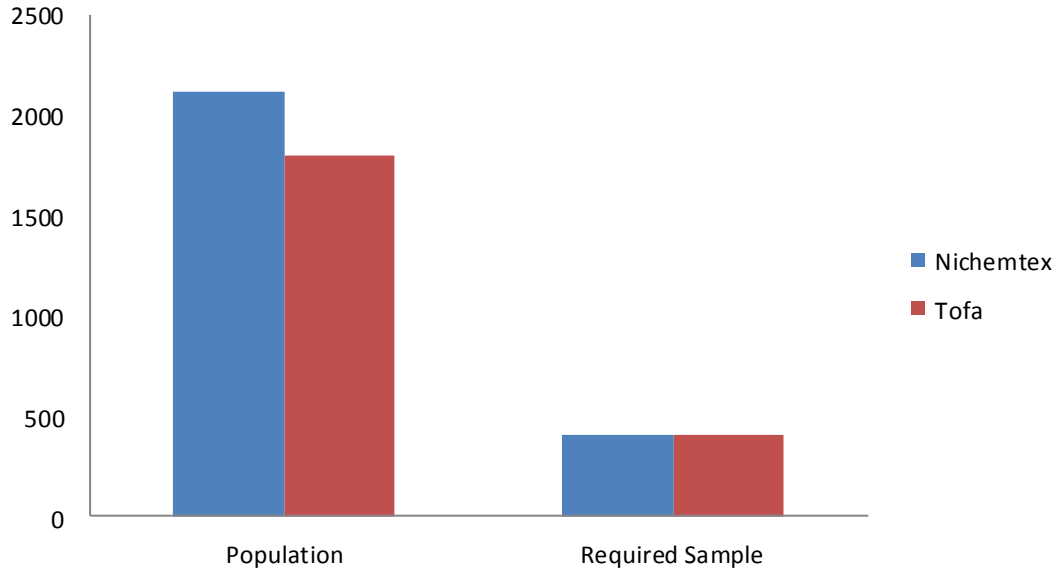


Figure 3.3: Number of Workers and Questionnaires Distributed

Source: Field Report, 2017

Table 3.3 and Figure 3.3 represent the number of questionnaire and the percentage distributed to workers of the two companies.

Table 3.4: Number of Questionnaires Distributed, Returned and Not Returned

LOCATION	Number distributed	Number Returned	Number not returned
Nichemtex Ltd Lagos	400	350 (87.5%)	50 (12.5%)
Tofa Textile Ltd Kano	400	360 (90%)	40 (10%)
TOTAL	**800**	**710 (88.75%)**	**90 (11.25%)**

Source: Field Report, 2017

From Table 3.4 and figure 3.4, it can be seen that 710 representing 88.75% out of the 800 questionnaires distributed were returned and only 90 representing 11.25%comprised of those returned but invalid and those not returned. However, it is pertinent to note that the number of questionnaires returned 710 was 6.6% higher than the baseline sample size of 663. Hence, the researcher carefully scrutinized the questionnaires returned and based on the responses carefully selected 336 and 327 questionnaires respectively for data analysis (336 and 327 questionnaires from Nichemtex Limited and Tofa Textile Limited respectively).

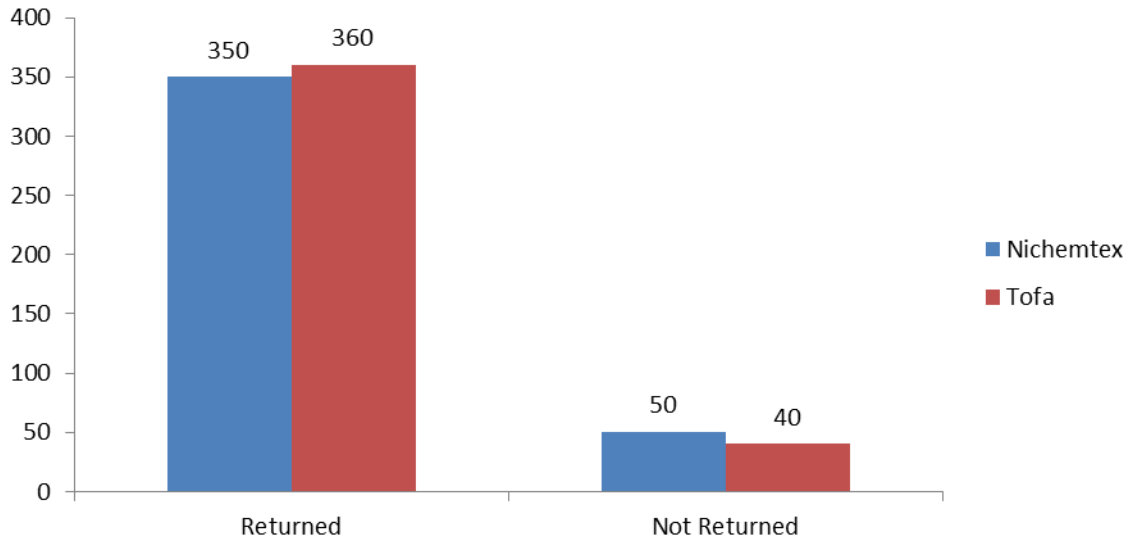


Figure 3.4: The total number of questionnaires distributed as well as the number that were returned and not returned.
Source: Field Report, 2017

Table 5: Number of Top Management Staff Interviewed

SN	DEPTS/UNITS	NICHEMTEX	TOFA	TOTAL NUMBER

1	Head, General Admin	1	1	2
2	Head, Spinning	1	1	2
3	Head, Weaving	1	1	2
4	Head, Spinning & Weaving	1	1	2
5	Head, Printing & Weaving	1	1	2
6	Head, Printing & Dyeing	1	1	2
7	Head, Engineering Maintenance	1	1	2
8	Head, Synthetics	1	1	2
9	Unit Head, Pickering	1	1	2
10	Unit Head, Blending	1	1	2
11	Unit Head, Carding	1	1	2
12	Unit Head, Cone Winding	1	1	2
13	Unit Head, Raising	1	1	2
	TOTAL=14 DEPTS /UNITS	13	13	26

Source: Pre-Field Survey, 2017

Tables 3.5 display the sample sizes, schedule for the in-depth interviews and Focus group discussions respectively. For the In-Depth Interview (IDI), a total of twenty six top management staff of the two textile industries were interviewed. This comprised of 13 staff from each of the two (2) textile industries.

In addition to above, thirty (30) respondents made up of five senior government officials in the relevant ministries and parastatals, which include the followings; the Head of trade, Director, WTO and the Desk Officer of the Federal Ministry of Trade and Commerce were interviewed.

The Director, Trade and Investment, of the Nigerian Investment Promotion Council were also interviewed. Five (5) Union Executives at the Labour House Kaduna and Lagos were interviewed respectively.

A total of 10 FGDs were conducted with forty-three (43) participants at different locations of our research population with participants or membership Eight (8) and eleven (11) for each FGDs. Altogether, ten (10) FGDs were conducted with key selected participants who were provided by the market authorities as well as the members of the Association. The table below clearly shows distribution of the 10 FGDs across theforty-three (43) participants at

different locations. These people who constituted the participants were drawn from textile retailers/wholesalers who experienced the effects of multi-fibre agreement phase-out in their textile businesses and had similar encounters in relation to the research objectives. The composition of the groups helped to ensure its homogeneity of the nature of their business as all the members selected had been in textile industries for the past two decades

The rationale for the choice of the two sources of data was for one to complement each other in order to ultimately strengthen the findings of the study. The justification for this was to provide the researcher with the data on the activities of WTO and its impacts on trade investment especially in the textile industry under study.

This group of people was relevant because it was assumed that they were in charge of taking important decisions concerning the textile marketing and other related matters that affect members and the industries on daily basis. Each FGD session was made up of both males and females because the topic of discussion was not considered a sensitive one that either demanded confidentiality or gender issue as a barrier in preventing participants from discussing freely. The size of the groups was 8- 11 participants, thus enabling the small group of people engaged in and talked freely while sharing their thoughts. Sitting position for the participants during each session was arranged in a semi-circle with the male and female participants on either side of the semi-circle.

The rationale for the choice of the two sources of data was for one to complement the other in order to ultimately strengthen the findings of the study. The justification for this was to provide the researcher with the data on the activities of WTO and its impacts on trade investment especially in the textile industry under study. For the quantitative data, the researcher used systematic sampling techniques by taking every 3rd name on the register

which was provided to the researcher during pre-test with names of employees department by department.

This technique provided every worker and indirectly every member of the population fair opportunity of being selected as a sample for the study.

Before embarking on the field work, two (2) Research Assistants who are well-versed in Hausaand English languages were employed for Kano and the two (2) researcher assistants that are well versed in Yoruba and English were employed for Lagos respectively. They were trained on the research problem in general as well as the objectives of the research and their expected roles in the collection of the data. This is imperative due to the literacy level of the respondents who were presumed to be mostly non-literates; especially that textile industry is labour intensive, and it was not possible for the researcher to administer the questionnaires alone due to the large number and time limit. This therefore, addressed relevant issues in terms of the technicality, linguistic or literacy levels of the respondents. The questionnaires were expected to be administered and returned within a period of four (4) weeks but the exercise eventually took six (6) weeks. Although two different types of data – qualitative and quantitative – were collected, none of the two was considered to be superior over the other; the study gave primacy to qualitative data and complemented them with the quantitative data.

3.8 Instrument for Data Collection

The instruments used for data collection comprised of questionnaire, Focus Group Discussion (FGD) and in-depth interview. A questionnaire tagged Effects of Expiration of Multi-fibre Agreement on Nigerian Textile Industry Questionnaire (EEMANTIQ) was designed by the researcher which was used for data gathering for the study. The questionnaire is divided into five sections A,B,C,D and E. The questionnaire consisted of closed-ended questions and

open-ended questions where necessary. The questions were grouped into four (4) sections (that is, A-D). Section A covers the demographic data of the respondents, while sections B – D cover the objectives of the study and all the items are placed on a four-point rating type scale of measurement as adopted by Nworgu (1991). The division varies between: Agree (A), Strongly Agree (SA), Indifferent (ID), and Strongly Disagree (SD). The items were scored using 4, 3, 2 and 1 respectively.

The researcher also organized an in-depth interview with the executives of these textile companies and Focus Group Discussion with the workers of the two textiles industries in order to elicit qualitative information for the study.

This study adopted the two (qualitative and quantitative) data collection techniques. However, much emphasis was placed on the qualitative data. Thus, for the purpose of the data collection, In-depth Interviews and Focus Group Discussions were adopted for the qualitative data while the survey was used for the quantitative data. These techniques allowed the researcher have personal contact with the informants and participants, as well as the respondents for the purpose of gathering the data. The instruments used for the collection of the various types of data are as described below.

For the quantitative data, the instrument the researcher used to collect the data was the questionnaire format as it facilitated the use of survey technique on the respondents within the study area. Questionnaireas an instrument served as the bridge between ideas and reality thus it was as valid and reliable as possible. Thus, the questionnaire helped to guarantee the collection of the quantitative data from the respondents as it was used to elicit responses from them. The questionnaire for this study was developed by the researcher in English language and administered to the respondents at their respective industries between the hours of 8.00 am and 6.00 pm daily including weekends.

3.9 Validity of the Instrument

The Validity of research refers to the closeness of a device in attaining the set objectives. To achieve the set objectives, the research instruments were validated by the researcher's supervisors and also specialists within the domain of statistics. It is believed that, the certification of the instrument made it substantially valid because it was given ethical approval by the supervisory team. These experts critically examined the instrument with respect to its fitness for the purpose of this study. Their corrections and comments improved the items structure and format of the questionnaire items that was finally used for the study.

3.9 Pilot Study

After necessary correction and validation of the instrument, a pilot study of the instrument was conducted at Tofa textile industry Kano and Nichemtex textile industry respectively using thirty one (31) workers in each company. The data collected were subjected to statistical analysis using descriptive statistics (mean and standard deviation) and inferential statistics (Independent t-test) to establish the difference in the mean response and variability from the two companies. All the ambiguous items in the questionnaire were detected and corrected through the pilot study.

3.10 Reliability of the Instrument

The reliability of the instrument was determined by the statistical analysis of the data collected from the pilot study. Cronbach alpha reliability was used to determine the reliability of the instrument. Reliability coefficient of 0.78 was calculated for the instrument. This reliability coefficient was positive and high, hence the instrument was adjudged reliable and stable based on Nworgu (2006) recommendation, who stated that a reliability estimate of 0.60 to 0.80 is high and the instrument for which it is calculated is reliable and stable.

3.11 Inclusion Criteria

For qualitative data, all males and females employees of the two companies were given equal chances of being engaged in the discussion.

The qualitative data as an expression is a common phrase used to refer to a variety of research methods; it is the one that used the in-depth interviews and the FGD techniques. Some scholars such as, Aliaga and Gunderson (2000:3) argued that "it is an umbrella term encompassing a wide range of methods such as interviews, case studies, ethnographic research and others". This research technique gave room for the collection of data in the form of words or pictures as opposed to numbers. The instruments used for collecting the data are In-Depth Interview (IDI) Guide and Focus Group Discussion (FGD) Guide. The guide enabled collection of qualitative data by providing a framework guiding a private conversation between the researcher and the informant and the group of participants. The In-depth Interview (IDI) guide contained lists of open-ended, probe, and follow-up questions suitable for gathering the needed qualitative data for the study. It provided a comprehensive understanding of the issue in question based on the informants' comments, observation and experiences which facilitated the collection of exhaustive information from informants and participants. In addition, the two guides were combined with elements of observation and so, it assisted the researcher by providing the opportunity tokeep an eye on the non-verbal facial or body expression put up by the interviewees and discussants as was the case. The capturing of the non-verbal communications helped in facilitating and capturing a vivid picture of the actors' environment.

1. The Focus Group Discussion comprised of questions guide for the purpose of eliciting information from research participants which was the same with the In-depth Interview (IDI) guide, but varied based upon the application of usage especially as the IDI guide was used to collect data from informants. The FGD guide coordinated the discussion

between researcher andthe participants, that is, number of people selected by the researcher to discuss the subject of the research. The IDI and the FGD were complemented by additional data acquired from the administration of questionnaires. That is, the qualitative data were supported by quantitative data that were collected through the questionnaire. The informants and the participants who participated in the qualitative data collection were people with vital knowledge about the objectives of the research; they include staff of the different Departments of the two textile companies in Kano, Lagos and designated textile markets in the study areas. On the whole, the qualitative data came up with useful information as the opinions of different people at different locations were sought prior to the commencement of the field work, letters of introduction explaining the goal of the research were given to the targeted informants and the targeted participants, which helped in preparing them in advance for the interviews and the discussions respectively. For the purpose of conducting the IDIs, facilitators who speak Yoruba, Hausa and English languages fluently were trained and used for the purpose, likewise the FGD. They were briefed on the objectives of the study, as well as the art of probes, pause, and how to look out for changes in the body movements of the informants and participants. To gather worthwhile data during an IDI and an FGD, the facilitators (note takers) and the researcher listened carefully to the conversation. This gave room for probing at the right time as attentive listening helped the researcher to capture the "body language" and other non-verbal messages that gave further insights into the people's opinion. The meeting between the interviewers (informants) and the researcher for the purpose of data collection were conducted in a comfortable and non-threatening environment, and at the most convenient for the interviewees. In the same manner, the researcher met with the participants for the conduct of the Focus group discussions in a safe, peaceful, and quiet location at the convenience of the discussants.

The note taker took notes during the interviews and discussions respectively, while the responses were also recorded on an audio machine. The field notes and the recorded responses constitute the qualitative data.

3.12 Techniques of Data Analysis

The data collected was analysed using frequency and percentage for the personal data of the respondents. Frequency, percentage and mean were used to analyse the data to answer the research questions. The mean for each item was calculated based on the 4-point rating interval that was used in the study. The research hypothesis were tested using Chi-square test statistics to bring out the effect of expiration of multi-fibre agreement on Nichemtex and Tofa textile industry. The research hypothesis were tested at 0.05 level of significance. In the analysis no response and indifferent will be taken as 'indifference' while 'no' and 'yes' will be retained. The analysis were performed using IBM statistical package for social sciences (IBM SPSS 20) and Minitab13.

Decision Rule: A weighted mean score of 2.50 and above was considered as agreed, while a weighted mean score of less than 2.50 was considered as disagreed. If the calculated chi-square test is less than the table value the research hypothesis was retained, while if the calculated value is greater than the table value, then the research hypothesis was not supported by finding and thereby refuted.

3.13 Problems encountered during the Field Work (Methodological Challenges)

Problems and challenges are inescapable in daily activities. Sometimes they fortify but some other times they may cause frustration and hindrance. In the course of this field research, a number of challenges were encountered.

The major ones encountered in the course of this study are time and access. As a student cum worker, time posed a serious problem in the collection of data. This is more so because going

to Lagos, Kano, Abuja and other parts of the country especially with people having their various schedules and requiring them to make out time for this study proved a herculean task. However, these challenges were confronted and everything possible was done to overcome the obstacles, including engaging the services of Research Assistants. This measure helped to overcome these problems. In-fact, the above mentioned challenges provided an opportunity and motivation for the researcher to solve the inherent problems encountered in the conduct of the research.

One of the problems was the limited time allotted by some of the key Informants interviewed especially those in relevant Ministries, Departments and Agencies. Some Informants seemed quite busy to the extent that they hardly had time for extra issues that were academic in nature particularly in research matters.

There were instances of attempts to withhold information which were necessary to the key objectives of the research and the researcher had to change strategies while maintaining ethical consideration to ensure that the required information was obtained and the integrity of the research is not compromised. It is important to state at this juncture that, the ethical rule of research does not allow names of respondents to be mentioned as promised and agreed before interview was even granted. It is against this backdrop that, instead of mentioning the names of our respondents or key Informants, the researcher used respondents and anonymity to hide the identity of the respondents without comprising their views and contributions.

The researcher also encountered problems associated with the reluctance of some key personnel to co-operate and share information which they regarded as secrets or confidential to the organization. This was so particular with the Bank of Industry's Operational Manager who bluntly refused the interview to be recorded or disclosed the names of beneficiaries. This was however, overcomed through probing questions thrown to the management of the industries under study.

There were also several instances where the respondents failed to keep their initial interview appointments after arrangements were agreed upon. They were either out of office, or out of town, or simply changed their minds and refused to be interviewed. A second round of appointments was therefore required. The researcher especially in the Federal Ministry of Industry, Trade and Investment had to personally solicit for the engagement of a top management staff and a relation to take the researcher round and in many cases had to book and arrange meetings between the researcher and respondents.

In the companies, extreme difficulty was also experienced in obtaining permission to interview some of the key personnel below them. While, in the markets, most respondents though undoubtedly experienced in their line of business were academically quite below average, this made the flow of communication difficult and distinct exchange of ideas, and the proper use of language almost impossible. Some traders were not even ready for any discussion at all. The researcher had to go through the union officials and market authorities to gain access. Again, the issue of language barrier was overcomed through the engagement of research assistants that were very conversant with language and technicalities of the research. The most difficult official to get hold on was Comrade Issa Aremu. The researcher had to persistently go to his office at National Textiles Labour House for three (3) days in-spite of the fact that he personally agreed to meet me on the 16th of January, 2017 at 12noon to have an interview at Kaduna in 4.00p.m. When the researcher got there on the same day he was told that Comrade Issa Aremu was engaged in discussing labour matters over an impending strike. At a point, he neither responded to phone calls nor text messages. The researcher patiently waited until he eventually emerged in the office three (3) days after the scheduled time at 5.00pm and gave 1hour 30min. – 1hour 40 minutes for the interview. However, the questions and answers were direct to the research questions and objectives and his response really added value to the quality of the research.

The study was also confronted with the problem of communication. The researcher intended to interview some of the Chinese engaged in textile business particularly in Lagos and Kano; but it was discovered that many of them do not speak English or any local languages spoken in Nigeria. They interact with people mostly by demonstrating and using signs language. This constitutes a major challenge of the study. However, in order to overcome this challenge, the researcher employed an interpreter to touch on all the critical issues that have occurred in Nichemtex and Tofa Textile Industries as it relates to the problem under study.

CHAPTER FOUR

4.0 HISTORICAL DEVELOPMENT OF TEXTILE INDUSTRIES IN NIGERIA

4.1 Introduction

This section attempts a retrospective discourse on the development of textile industries in Nigeria; but for better understanding, it is also important to look at the nature of the textile industry in Africa as a whole.

4.2 Textile Industries in Africa

Many parts of Africa have a long history of textile and clothing manufacture due to the abundance of cotton-sustained downstream processing industries, from basic ginning to the more complex fabric weaving activities. To this day Sub-Saharan African countries form an important source of cotton for the European market. According to the EUROSTAT database (2005), key suppliers to the EU in 2004 include Cameroon (€26 million), Chad (€27 million), Ivory Coast (€9 million), Mozambique (€ 9 million), Mali (€42 million), Sudan (€14 million) and Zimbabwe (€22 million).

The African textile sector, however, suffered a protracted decline in the 1970s to the 1990s, which can be attributed to a number of factors including domestic-economic policies (often with socialist tendencies), weak cotton prices, a general lack of competitiveness, especially *vis-à-vis* South East Asian nations, restricted access (for example through onerous origin requirements) to international markets, and low levels of regional economic integration. For African countries, the Lomé Convention and later the Cotonou Agreement, as well as general GSP and 'Everything-But-Arms' programs, provided preferential access to the European market which further increased the relative benefit accruing to quota unconstrained countries. However, the conclusion of preferential trade agreements and arrangements between developed and developing countries have nevertheless contributed indirectly yet significantly to the impact that the ATC quota regime has had on many developing countries including Nigeria

especially in the textile industries. For example, in 2001, the United States' African Growth and Opportunity Act (AGOA) substantially improved market access for items such as clothing when shipped from eligible African countries. Although preferential clothing exports are subject to special provisions and origin rules, as well as the quota system they applied only to the duty-free preferences offered rather than overall market access for clothing exports. But more recently, largely as a result of improved US market access under AGOA and the continuing quota-based restrictions that prevailed at the time, the clothing sector once again rapidly grew in importance in various African developing countries. A waiver of US import duties on a large range of items – including garments – when exported from qualifying African countries, meant that the sector's exports now enjoyed a substantial preference margin over those from other countries. More importantly, favourable rules of origin, which allow most African countries to source fabrics from anywhere in the world implicitly recognized that globally competitive textile manufacturing was the domain of a dwindling number of countries. Nevertheless, this package of 'benefits' led to substantial upgrading and new investments across a number of African countries which were able to compete in the US market thanks to their margin of (tariff and quota) preference together with de facto quota-unconstrained trade under AGOA.

While no Sub-Saharan African (SSA) country is counted among the world's leading textile and clothing exporters, this is in no way a true reflection on the sector's economic importance in Africa. Changes in the global dynamics of textile and clothing production and trade, many brought about or influenced by the MFA and subsequently ATC regime, have had a direct bearing on the economies of the affected countries in Africa (Naumann,2006:18). Sub Saharan African developing countries with key interests in the textiles and especially clothing sector and which have benefited from the quota imposed on other countries under the MFA, include Lesotho, Kenya, Madagascar, Mauritius, Swaziland, South Africa and Namibia. With the

exception perhaps of South Africa, the sector has provided these countries with an important opportunity to diversify their respective economies, especially since many of them have largely agro-based economies. Clothing exports in particular, seen as a proportion of total merchandise exports, have become important drivers of this sector particularly in Lesotho, Mauritius, Swaziland, Madagascar and Kenya. While not uncompetitive per se, these economies are nevertheless extremely vulnerable to any shift in the global sourcing of textiles and clothing away from African countries to low-cost South East Asian nations. These dynamics have in one way or the other affected textile industries in Nigeria especially following expiry of the WTO ATC. However, following the phasing out of the MFA in December 2004, the number of workers employed in the textile and clothing industry dropped steadily due to closure of four textile firms in the first quarter of 2005. More than 4,570 workers were reported to have lost their jobs at the end of March 2005 (Economic Review, 2005:2).

4.3 The Nigerian Textile Industry

Traditional textiles have been produced in Nigeria for many years but real industrial activity in textile production is comparatively recent. After some minor attempts, the Kaduna Textile Mills was established in 1956, followed by Nigerian Textile Mills in 1962 (Jamie, 2007). From inception, these companies were conceived as vertically integrated mills; to convert locally available raw materials- mainly cotton - through spinning for the production of yarn, weaving for the production of grey cloth, and dyeing, printing and finishing, for the production of finished textiles. Today, the sector has developed to incorporate fibre production, spinning, weaving, knitting, lace and embroidery makings, carpet production, dyeing, printing and finishing. The sector produces a varied series of fabrics annually, ranging from African prints, shirting, embroideries, etc., to Guinea brocades, wax prints, jute and other products (Jetter, 2002).This is the biggest manufacturing industry in Nigeria and the third largest in the whole of Africa after Egypt and South Africa. It accounts for 25% of the manufacturing employment between 1980 and 1991. It is the largest employer of labour in the manufacturing sector (Eneji,

et al, 2012). The industry is mainly controlled by large private-sector firms often with substantial foreign participation.

The industry, which currently accounts for about 25% of manufacturing value added, has passed through various phases of growth. Import substitution policies induced steady growth in the 1960s which gave way to rapid growth, averaging 12.5%, in the 1970s; when the economy was booming. The recession of the early to mid-1980s took its toll: the cumulative textile production index (1972 = 100) declined from 427.1 in 1982 to 171.1 in 1984 (Jamie, 2007). The industry recovered in the late 1980s achieving an annual growth of about 67% between 1985 and 1991, with synthetic textiles alone accounting for about 80% of the recorded growth. The industry is the largest employer of labour in the manufacturing sector. It accounted for about 25% of total manufacturing employment between 1986 and 1991 due to improved capacity utilization (MNT, 2007). And with the backward integration programme instituted by many firms in the industry following the strict government directive on the issue in the mid-1980s, the level of domestic sourcing of raw materials was put at about 64% in 1991, a steady improvement from 52% in 1987 and 57% in 1988.

According to Momoh (2008), there were about 128 textile firms operating in Nigeria in 1980s but this decreased to 45 in 2008. According to the Nigerian Textile and Garment Manufacturer Association (2010) and the current field survey report, this further decreased to 37 in 2010. By 1996, about 140,000 people were employed by the industry as a whole but the figure sharply dropped to 25,000 in 2008 (Momoh, 2008). According to the figure derived from the minutes of meeting of the Nigerian Textile and Garment Manufacturer Association (2010), the population decreased further to 17, 632 in 2010. In addition, over 500,000 allied jobs have been lost to redundancies and plant closures in the industry within the last two decades (Momoh, 2008). Thus, the population of the industry as at the time of this study was 37 textile firms with 17,632 workers.

The literature reviewed above has also shown that the removal or expiration of the MFA has brought about opportunities for textile industries in some developing countries. Therefore, it is important to ascertain whether textile industries in Nigeria have had a similar experience and if not, what the reasons behind it are.

To a large extent, a plethora of studies have tried to analyze the effects of removal of quota restrictions on the trading partners. However, they disagree on the impact of quota elimination on developing countries. Most of the studies done by international organizations such as the WTO, the World Bank, the Asian Development Bank and the United Nations, had concluded that there would be enormous gains for both developed and developing countries after the removal of quota restrictions. But some studies such as Spinanger (1998) and Martin and Winters (1996) which held much more cautious views, particularly with regard to developing countries, after 2005. They asserted that developing countries would experience negative results after the elimination of textile quota restrictions. It is pertinent to note here that this particular view point provides much of the basis for this research on textile industries in Nigeria.

Furthermore, a critical examination of some empirical studies conducted by Duke (2014) has shown that there is a negative relationship between trade liberalization in the textile and garment industry and national development in Nigeria. The trade liberalization policy favours Advanced Countries over the less developed nations which enabled their goods to be cheaper in the global market and therefore affected Nigeria's textile and garment industry negatively. This position was validated by Muhammed (2010:136) in an empirical study on Globalization and Nigerian Textile industry. In his Analysis of Three Kano Textile industries, he opined that '''the fast occurring deindustrialization is as a result of distorted policy frameworks which has compelled the textile industries to struggle against an unfair competition over the years'similarly, Okenyi Emma (2011) argued that the Nigerian textile

industry had grown to become the third largest in Africa. He added that a report by the United Nations University stated that in 1987, there were 37textile firms in the country, operating 716,000 spindles, and 17,541 looms. Between 1985and 1991, the textile in Nigeria recorded an annual growth of 67 per cent(Okenyi, 2011).In the same vein Udenwa was reported as saying that prior to 1997, the Nigerian textile industry remained the second largest in Africa after Egypt's with over 250 vibrant factories operating above 50 percent capacity utilization. The textile industry in Nigeria could boast of over 125 factories but today only about 25 vibrant factories still produce (http://www.nigeriabestforum.com).The consistency in the claims of the sources above lends credence to the fact that Nigeria's textile industry used to be a force to reckon with in global textile. Therefore, the question that comes to the fore is why has the textile industry collapsed?

Slatter, (2003:18) said that the machinery needed to produce textiles are not simple as the production equipment it requires are massive, complex, expensive and difficult to use in terms of manipulating millions of tiny particles of flexible units at a speed fast enough to satisfy the demand for its products. Textile production uses vast amount of energy which is not readily available (Tony, 2011).According to Nasir Lawal (2011), the president, National Union of Textile, Garment and Tailoring Workers of Nigeria, the problems which led to the collapse of the textile industry in Nigeria is the influx of cheap and substandard products from China where textile factories enjoy steady power supply and textile goods are produced by prisoners (http://www.nlcng.com).Vanguard, March, 2003 reported that the problems which led to the collapse of the textile industry in Nigeria include the hasty and unprepared entry of Nigeria into theWTO in 1995, by which Nigerian market became open to cheap and substandard products from China. Unstable power supply increased the cost of textile production as factories have to take on the extra cost of maintaining generating set, poor

infrastructure and there was also the problem created by porous borders. Jekeri (Daily Independent, July 2011), Okenyi cited in (The Sunday Observer,(August,2011) reported that the problems that led to the collapse of the textile industry in Nigeria include; China's accession to the WTO in 2001 which undermined the Nigeria textile industry from two fronts: cheap imitations from China flooded the Nigerian markets and at the same time, the growth of Chinese exports to the United States made it almost impossible for Nigerian textile to compete with China for the U.S market as guaranteed under the African Growth and Opportunity Act (2000). Another problem relates to the inability of the Nigerian government to effectively police her borders to check the illegal activities of smugglers who help to flood the Nigerian market with cheaper and substandard textile products from China. Other problems are multiple taxation and high interest rates on loans.

Alhaji Hamman Kwajafa, the current Director General of the manufacturers Association of Nigeria, argued that the foreign ownership of most of the textile factories by expatriates from India, Lebanon and China has exacerbated the situation as these expatriates quickly relocated to other countries once one factory got closed"(The Nation, July,26 2013)Yet it is pertinent to probe further into the role of the government. In spite of her membership of the WTO, the government of Nigeria had banned the importation of textile materials into the country until 2004 (Oyejide, Ogunkola and Bankole 2009).However government's effort at protecting the domestic textile industry has been frustrated from three fronts. The importers and traders of

textile products have always stood against a ban on the importation of textile products. For instance, the Embroidery Lace Dealers Association of Nigeria (ELDAN) claimed that an enforcement of the ban on importation of textiles would inflict colossal financial loss on textile imports and eliminate three million jobs (Guardian March, 2004).Another frustration arose from the inability of customs officers to control the activities of smugglers. President Olusegun Obasanjo was reported to have lamented over this when he accused the Customs Service of making „nonsense of government's import prohibition policy when he said "we just have to beg them. I think other than begging, I don't know what else I can do if it is possible to run a nation without customs, I will doit (Guardian January, 2007). The other frustration arose from the activities of smugglers who exploit the advantage of the porous borders to enrich themselves (http://www.nlcng.org).

As a member of the WTO, Nigeria's use of import prohibitions as a trade policy instrument has been a source of friction with its trading partners and this practice has alsobeen repeatedly condemned for its inconsistency with GATT and WTO rules (Oyejide, Ogunkola and Bankole

2009). Uzoigwe, (2005) argued that In 1995, the textile companies began to experience problems with about 50 companies closing down in 1997. As at 2004, quite a number of textile companies had folded. The Kaduna Textile Mills closed in 2002 while Enpee shut down operation in 2004. The United Textiles PLC (UNTL) that was regarded as the biggest Textile Company in West Africa with a direct work force of about 5,500 employees shut down its factory in Kaduna in October 2007, leaving about 4,400 able workers unemployed. Aremu (2005) also, opines that massive importation coupled with high cost of production resulted in the closing down of 65 local textile mills, rendering about 150,000 workers jobless. He almost concluded that the sector had collapsed with unpalatable implications to the nation by way of unemployment, poverty and social vices. Earlier, Ati (1985) and Ubani (1983) identified some performance limiting factors in the Nigerian business environment amongst which are the problems of availability of raw materials and equipment importation, inter-organizational relations, Governmental and parent – organization regulation and interference, indiscriminate importation and smuggling, and inadequate capital and skilled labour. Empirical studies have shown that infrastructural growth corresponds to economic output (CBN, 2000).

Research have further shown that poor infrastructure have hampered the progress of textile companies in Nigeria forcing companies to provide their own power a situation Obadan (1998) refers to as BOYI meaning, Build Your Own Infrastructure (David, 2003; Jibrin, 2002; Obadan, 1998; Ayodele, 1998). A look at the statistics of electricity supply to the industrial sector showed a steady decline in the megawatts of electricity. This shows a correlation with the

declining performance of the textile sector. Several other reasons have been advanced for the fast and continuous decline of the Nigerian Textile Industry. Amongst the reasons advanced are according to Mohammed (1984:1):

1. Shortage of raw materials;

2. Competition from foreign Textiles occasioned by smuggling;

3. Deteriorating Machinery;

4. Falling demand, and

5. "Lack of management initiatives, resourcefulness and foresight" (Mohammed, 1984:1) A negative consequence of the declining performance of the textile sector is the loss in Government revenue. It is estimated that over N3billion in revenue accruing to Federal, State and local Government by way of taxes and levies from textile operation is lost (Jibrin, 2002). Industrialization and economic development usually co-exist. The Textile industry is usually regarded as a first generation industry in the process of industrialization. The textile production index (1985=100) has fallen from 159.3 in 1992 to 98.6 in 1996 (CBN Annual Report, 1996). When considered with the fact that the sector now employs a paltry figure of 28,000 workers from an employment rate of 285,000 staff (Fanimo; Sanyaolu, and Akhaine, 2007), the present state of our Nation needs repositioning. Ayodele (1998) described the public electricity situation in Nigeria as „Energy Crisis". Power supply, particularly electricity and petroleum, are crucial to the operation of the textile Companies. In Ayodele's words: "outputs of the energy sector (electricity and petroleum products) usually consolidate the activities of other sectors which provide essential services to direct production activities of agriculture, manufacturing, mining, commerce, etc" (Ayodele, 1998:19).

The crisis power situation of the textile Companies is characterized by a consistent decline in the rate of public electricity supply to the industrial sector compared to the supply for residential use. This is evidenced by the total breakdown of electricity supply to the Country. While, going by the CBN Statistical Bulletin (2007), the proportion going to residential users continues to rise (53.6% in 1989 to 63.8% in 2005), the portion going to the Industries keeps on declining (28.4% in 1989 to 18% in 2008). This is against the background of declining total electricity supply of 6,180.9 megawatts per hour in 2003 to 2,108 megawatts per hour in 2008 (Power holding company of Nigeria). For all firms employing more than 50 employees, an average investment of 130,000 USD was made to generate private electricity for production. This contributed to increased production costs and consequent high product prices which made it difficult for such organizations to compete favourably in the international market (World Bank Report, 1991). Similarly, the findings of Ado and Nmadu(2011) showed that the decline in capacity utilization of textile in the country started from 1990 and reached a peak in 2008. This is consistent with data obtained from the Central Bank of Nigeria and the Federal Office of Statistics. Onipe (2001) had earlier found 8 manufacturing companies, 2 of which were textile companies to be embarking on retrenchment strategy by which the companies prolonged the use of their machineries instead of replacing them, producing to order instead of aggressive marketing, cutting down on personnel cost instead of innovatively engaging their workforce or even increasing their staff strength. Morrow, Sirmon, Hitt, and Holcomb (2007) found that using existing resources (human resources) in new ways enhances the recovery of organizations. Furthermore, Chan (2005) had shown that firm size had a moderating influence on performance by enabling an organization todevelop General Operating Capability. All the textile companies studied started operation in the early 1980s with only one said to have carried out partial replacement of machineries. This confirms Jibrin's (2002) claim of the companies' inability to have new technology comparable to competitors in China. Machine capacity is a

valuable resource that is firm specific because it has transaction and transfer cost and usually involves chameleon-like know-how (Tieece, Pisano, and Shuen, 1997). For these reasons, the possession of new machineries with the associated technological know-how can procure sustainable competitive advantage for a firm (Black and Boal, 1994). Only one out of the seven textile companies studied showed Human Resources Management emphasis above goal emphasis. This was indicated by priority ranking of goals such as Employee Satisfaction, Employee wellbeing, and Cordial employee relations.

All the other six companies showed Goal Emphasis captured by priority ranking of goals such as Objective achievement, Meeting of deadlines, and Execution of Assignment. This agrees with the findings of Hansen and Wernerfelt (1989) that both Goal emphasisare performance determinations with it accounting for twice as much performance as the Goal Emphasis. That less emphasis is being placed on human resources management is in line with Onip's (2001) findings of some of the textile companies which retrench staff instead of innovatively deploying them.

4.4 The Contributions of Textile Industries before the Expiration of the MFA

4.4.1 Historical Performance of the Nigerian Manufacturing Sector

Adenikinju and Chete (2002) conducted an empirical analysis of the performance of the Nigerian manufacturing sector over a 30-year period and observed that the sector was performing with satisfactory growth levels from 1970 to 1980. However, after that phase there was a sharp decline in the growth and profitability of the Nigerian manufacturing sector. Especially after 1983, the negative effects of the oil price collapse in the international oil market can be clearly seen on the sector's performance. Due to that global oil crisis, the revenues of the Nigerian government sharply declined which resulted in reduction in foreign exchange earnings. This in turn forced the government to take several initiatives with the intention of strictly controlling its trade. There were several import duties enacted in form of import

licences and tariffs, and some quantitative restrictions were also imposed on the importation of certain items. As a result, the manufacturing sector was badly affected because the manufacturers faced multiple problems when obtaining raw materials and spare parts for their products and processes. As a result of massive cutbacks in raw materials and spare parts, many of the country's industries were shut down and the capacity utilization in the manufacturing sectordeclined. For example, between 1977 and 2007, the Nigerian bicycle manufacturing sub-sector recorded a systematic decline in capacity utilization by about a total of 485%; that is, from 948,000 units of bicycles in 1977 to 161, 500 units of bicycles in 2007. This disturbing trend was also observed by Adenikinju and Chete in most of the other manufacturing sub-sectors in the country (Adenikinju, A and Chete,2002). Dipak and Ata (2003) stated that the effects of the trade restrictions resulting from the oil price crisis were clearly observed in the form of a 25% decline in the real output of the manufacturing sector from 1982 to 1986.

Although the annual growth rate of the Nigerian manufacturing sector was 15% between 1977 and 1981, the government trade restriction measures resulted in the succeeding sharp decline in the growth rate of the sector (Dipak and Ata 2003). The share of the manufacturing sector in the total GDP of the country also clearly declined during this era. In 1977 there was a 4% increase recorded in the manufacturing sector share in GDP and this reached the level of 13% in 1981, but after that it declined toless than 10% in just a few years. Dipak and Ata (2003) and Adenikinju and Chete(2002)concluded that the unavailability and inadequacy of the companies' access to the raw material and spare parts needed were among the major factors that contributed towards the decline in the growth rate of the manufacturing sector especially after 1981. Hence, the oil price shock is identified as the reason behind the policies that ultimately resulted in the decline of manufacturing sector's growth.

Adejugbe (1994) examined the impact of the Nigerian trade policy on the manufacturing performance of Nigeria after the previously discussed observed decline. The researcherstudied manufacturing sector performance after 1985 and observed that some significant steps were taken by the Nigerian government in an attempt to make the Nigerian trade regime liberal, and also to promote manufacturing and import-export activities. The adaptation of a flexible exchange rate mechanism, along with the some tradeliberalization policies, brought some major changes to the scenario as these steps helped reduce tariffs and trade rates. At the same time, duties on the importation of foreign goods were also raised, especially of those competing with domestic products. In the same way there were also some steps taken to reduce import duties on many of the raw materials and spare parts that were used in the manufacturing sector, the factor pinpointed for the previous years' decline.

These steps were taken by the Nigerian government with the objective of providing the local manufacturing organizations with a sense of protection so that they could be motivated to become more productive and efficient. Anyanwu(2000), with findings similar to that of Adenikinju and Chete, pointed out that the collapse of the world oil market in the early 1980s and the prolonged economic recession resulting from this collapse contributed to the sharp fall in the foreign exchange earnings of Nigeria. This further led to a fall in the performance level of the manufacturing sector of the country. The introduction of the Structural Adjustment Programme (SAP) in 1985 was expected to bring an improvement to the situation, but unfortunately no notable improvement was observed. As a result of the continuing low performance of the manufacturing sector, along with other important reasons, today Nigeria is among the more poverty-driven nations of the world (Mazumdar, and Mazaheri,2003).

Ukaegbu (1998) observes that conducting a complete analysis of the Nigerian manufacturing sector is a complex issue because there is a lack of adequate data about the productivity levels of the Nigerian economy. In particular, there are little authentic data related to the productivity of the Nigerian manufacturing sector. However, some of the research studies conducted at different levels does give some viable information about the performance of the manufacturing sector of the country through the years (Ukaegbu 1998). For example, an ad-hoc study conducted in 1989 by Chete and Adenikinju (2005) indicated that the overall productivity level of the Nigerian manufacturing sector over the years has seen very little increase and most of these companies have even faced a decline in productivity as well as profitability. These findings were further confirmed by a report by the Manufacturers' Association of Nigeria (MAN) which revealed that there was a generally negative trend in the growth of the Nigerian manufacturing sector during the period of 1980-1989. The report also stated that the expectations were low of observing any considerable improvement in the situation.

The research studies conducted after that period confirmed this expectation, as they provided evidence that the trend of negative productivity continued and that neither was there an improvement in the profitability level of the sector well into the 1990s and 2000s (Akinlo,1996).In 2000, Adenikinju and Alaba 92000) conducted an empirical study which evaluated the Nigerian manufacturing sector's performance with regards to the relationship between productivity, performance and energy consumption within the manufacturing organizations. Utilizing an aggregate model, the researchers measured the changes in the total factor productivity of the sector relative to the change in energy consumption. The research concluded that efficiency and productivity of the Nigerian manufacturing organizations are indeed related to the energy supply and energy price.

While the energy resources were found to play a critical role in the manufacturing sector though, it was also discovered that the energy source alone cannot effectively improve the performance of the manufacturing sector in Nigeria. An important point identified in the research was that the manufacturing sector is too wedded to using old technology and as such, there is a great need for the adoption of more advanced energy-efficient technological devices and techniques. For this reason, reforms concerning the prices of energy options alone do not significantly affect the performance of the sector because it is hindered by the need for improved technology and energy supplies. Thus, the reforms in the energy sector need to happen alongside technological reforms, otherwise the manufacturing organizations cannot entirely enjoy the advantages of the energy resources. Ayanwale (2007)studied the effects of foreign direct investment on the performance of the Nigerian economy and manufacturing sector, and revealed that the country is striving to attract more foreign investors. This is so that the operations and activities of the manufacturing sector can be supported by the revenue gained through these investments. However, available statistics of the Nigeria's manufacturing

affects the quality of the manufactured products in Nigeria. As it turns out, the reason behind the employment of unskilled labour is the inability of the manufacturers to pay actual skilled labour well. Mazumdar and Mazaheri (2003) argue that average wages are very low in most of the manufacturing firms in Africa as the owners settle for unskilled labour. This is because highly skilled labourers come with high salaries that the firms cannot afford, thus, they keep on employing unskilled labour on low wages. So though there were employment opportunities in the manufacturing sector, they did not alleviate poverty levels; all while the quality and standard of the labour were stagnant. The researchers suggested that the manufacturing companies must realize the importance of investing in skilled labour so that the manufacturing process can be run on updated methods. Also, the overall poverty level could be raised by the stimulation of paying good wages to skilled labourers.

Alli (2008) reviewed the situation and stated that after going through several ups and downs, the Nigerian manufacturing sector is mainly made up of a few players. These players are the multinational, national, regional and local manufacturers, investors, and companies.

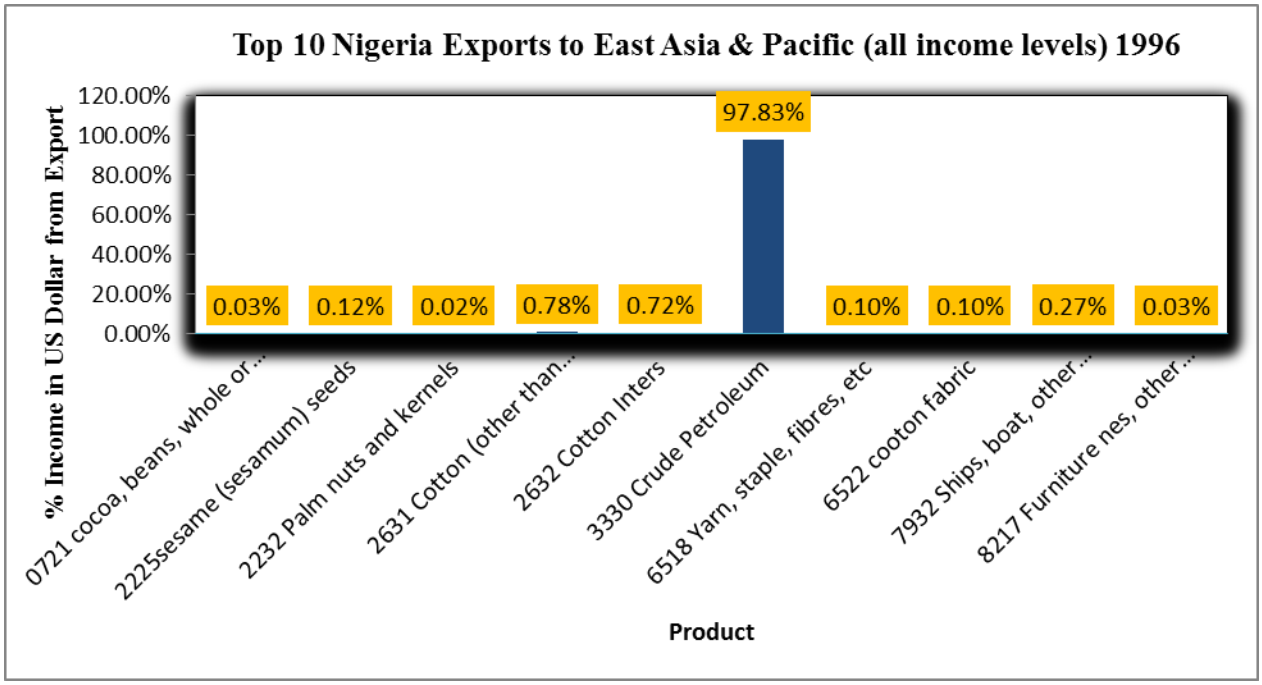
It was also disclosed that while the multinational companies are still operating and surviving in the country because of strong financial and resource support, the other operators have either disappeared from the scene or are struggling to survive in the manufacturing industry. This is because of the unpredictable policies and strategies implemented by the government, effects of globalization, and the lack of raw materials obtained locally for the manufacturing process. As a result, the aforementioned players of the sector started diminishing from the scene even as the productivity and efficiency of the manufacturing sector were negatively affected. At present, the capacity utilization in the sector remains lower than 35% (Ayanwale 2007). This also provides evidence and reasons to conclude that the Nigerian manufacturing sector is inefficient.

The Nigerian Bureau of Public Enterprises itself identified some of these main barriers that affected, and continue to affect, the growth and development of the Nigerian manufacturing sector. Their reasons include high interest rates, unpredictable government policies, non–implementation of existing policies, ineffective regulatory agencies, infrastructural inadequacies, dumping of cheap products, unfair tariff regime, and low patronage (Dipak and Ata, 2003). On top of these, as mentioned, a skilled workforce and foreign investments are also in short supply.

In summary, the retrospective analysis of the manufacturing sector of Nigeria could serve as a lesson for other countries. It shows how the mismanagement of resources and thenegligence of an important sector can contribute to the low performance of the whole economy. In Nigeria, the government used to place sole emphasis on the oil sector and as a result the manufacturing

sector failed to prosper. Now, even after the spike in oil prices, the country can only look towards a very insignificant contribution from the manufacturing sector because of the inadequate policies and planning of the past.

The Figures 4.1 to 4.7 below represent top 10 Nigeria exports in figures and percentages to East Asia and Pacifc, EU27 Members, Latin American and Caribbean, Low and Middle East and North Africa, North American, South Asia, and Sub-Saharan Africa SSA in the year 1996 and 2014 respectively.



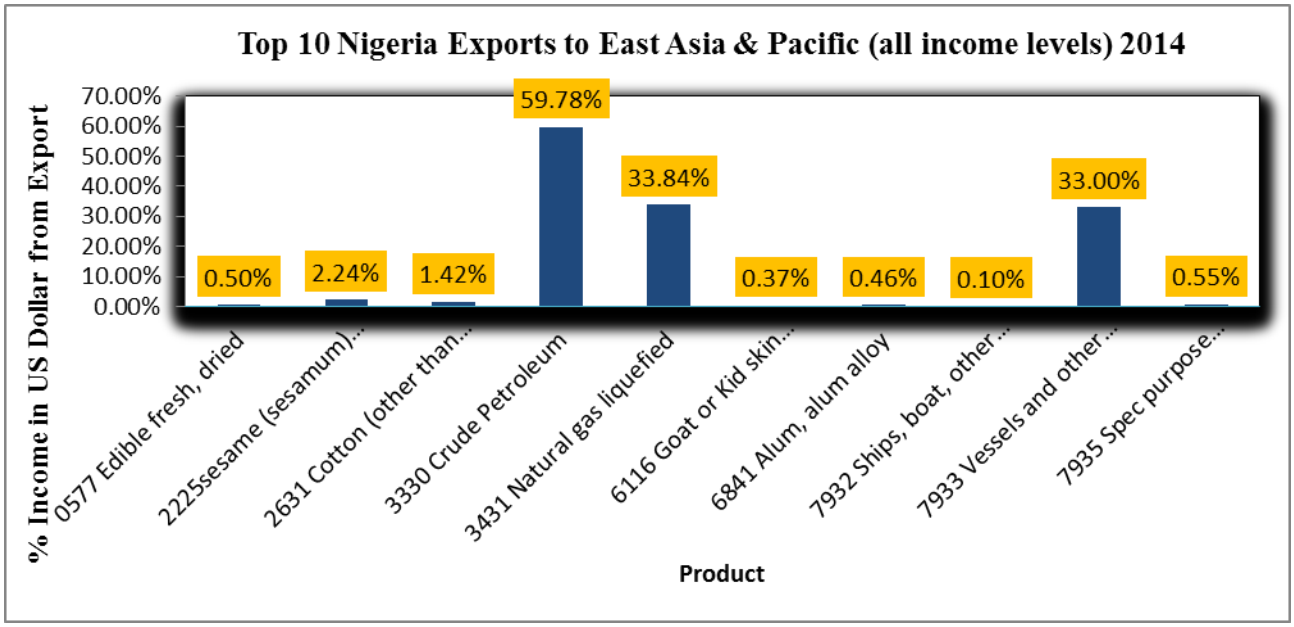
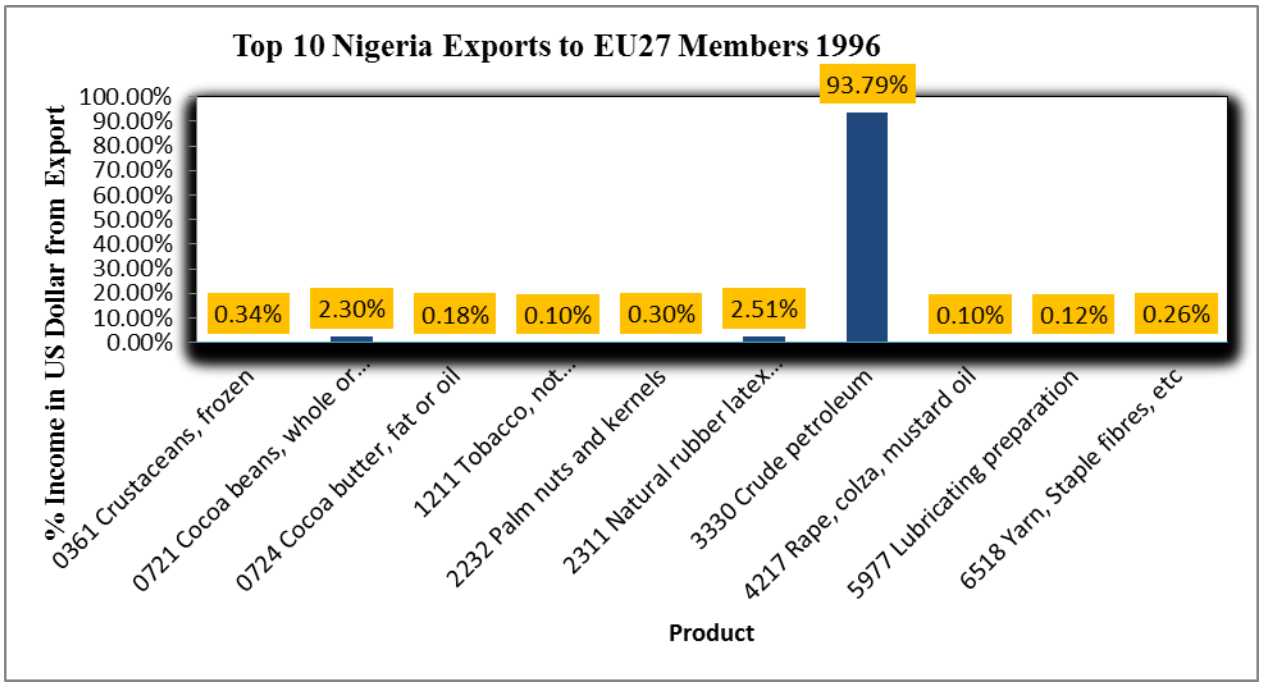


Figure 4.1: Export Structure of Top 10 Nigeria Exports to East Asia and Pacific in 1996 and 2014

Source: WITS 4-Digit



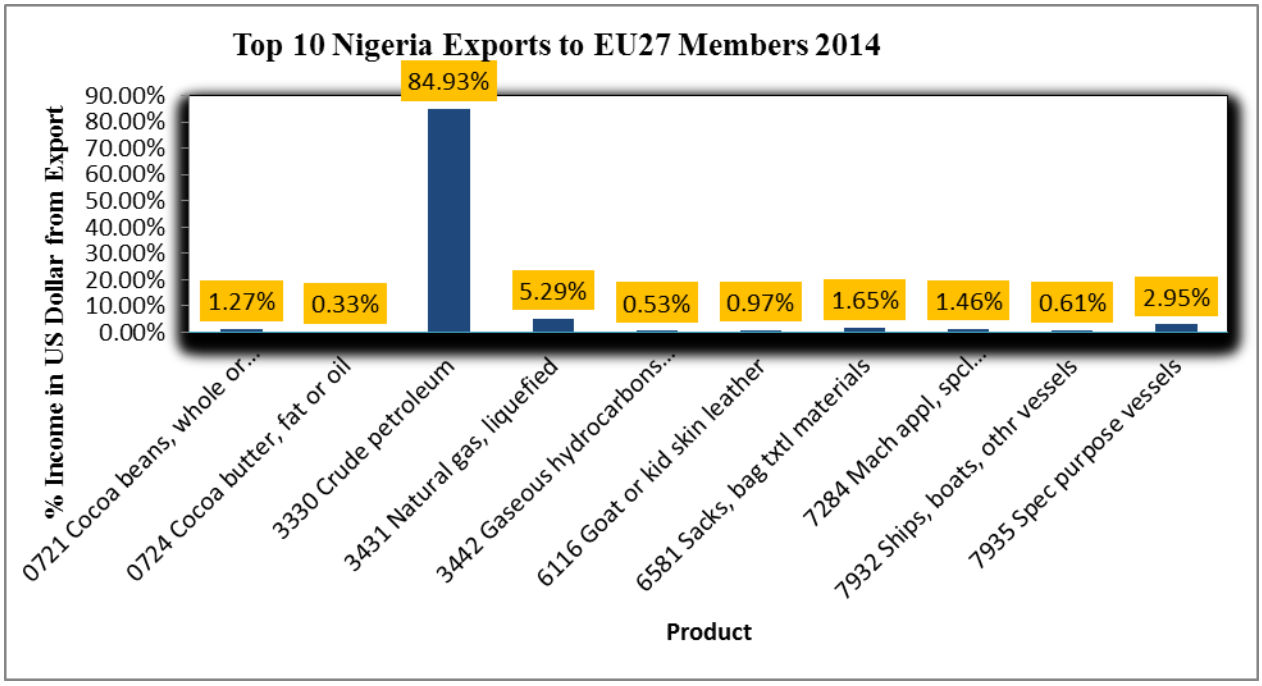
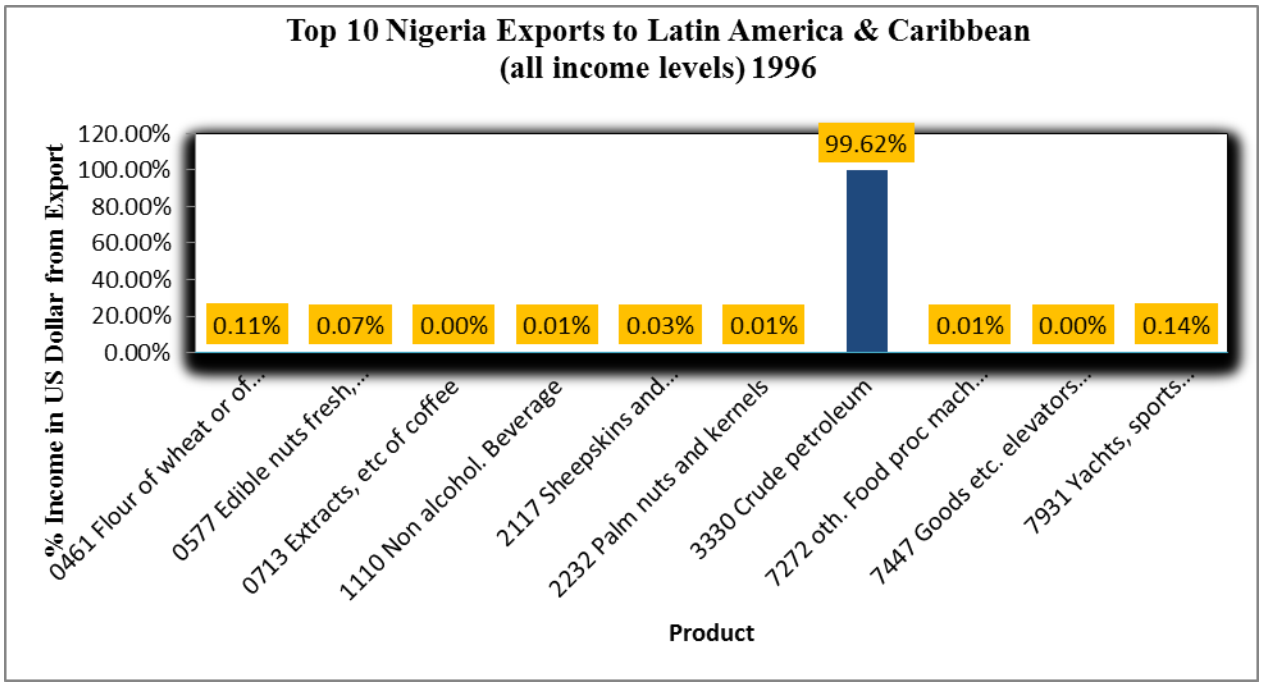


Figure 4.2: Export Structure of Top 10 Nigeria Exports to EU27 Members in 1996 and 2014

Source: WITS 4-Digit



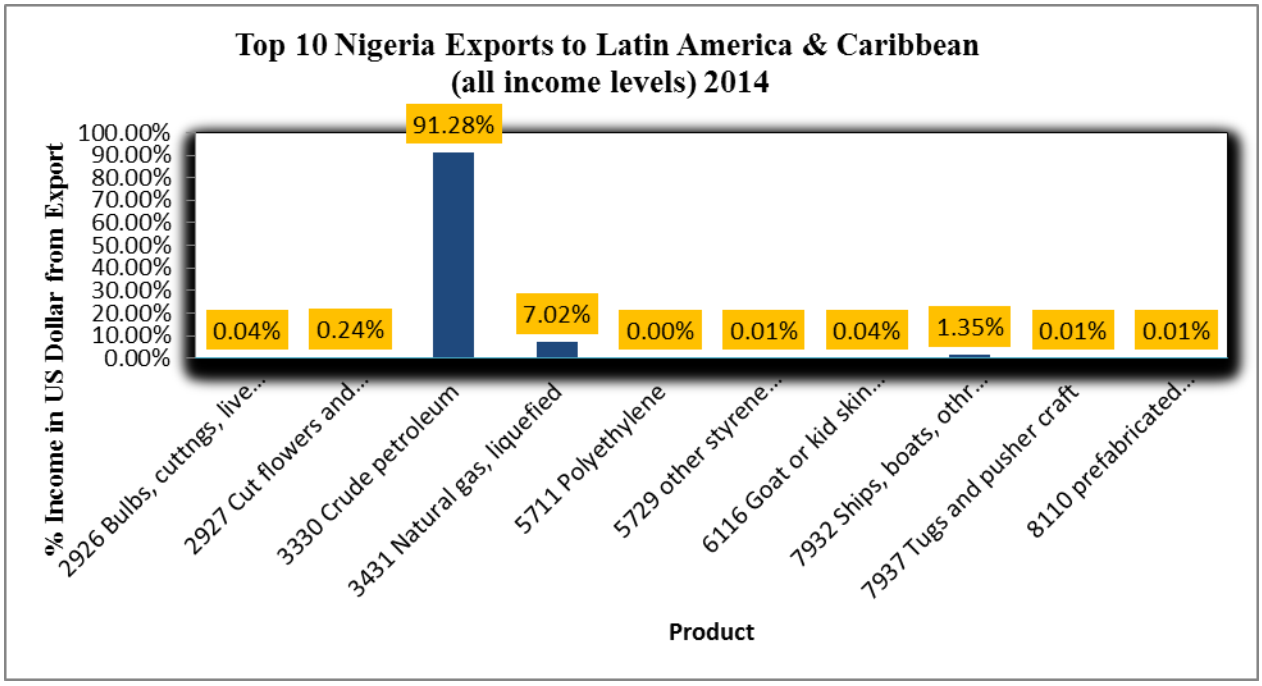
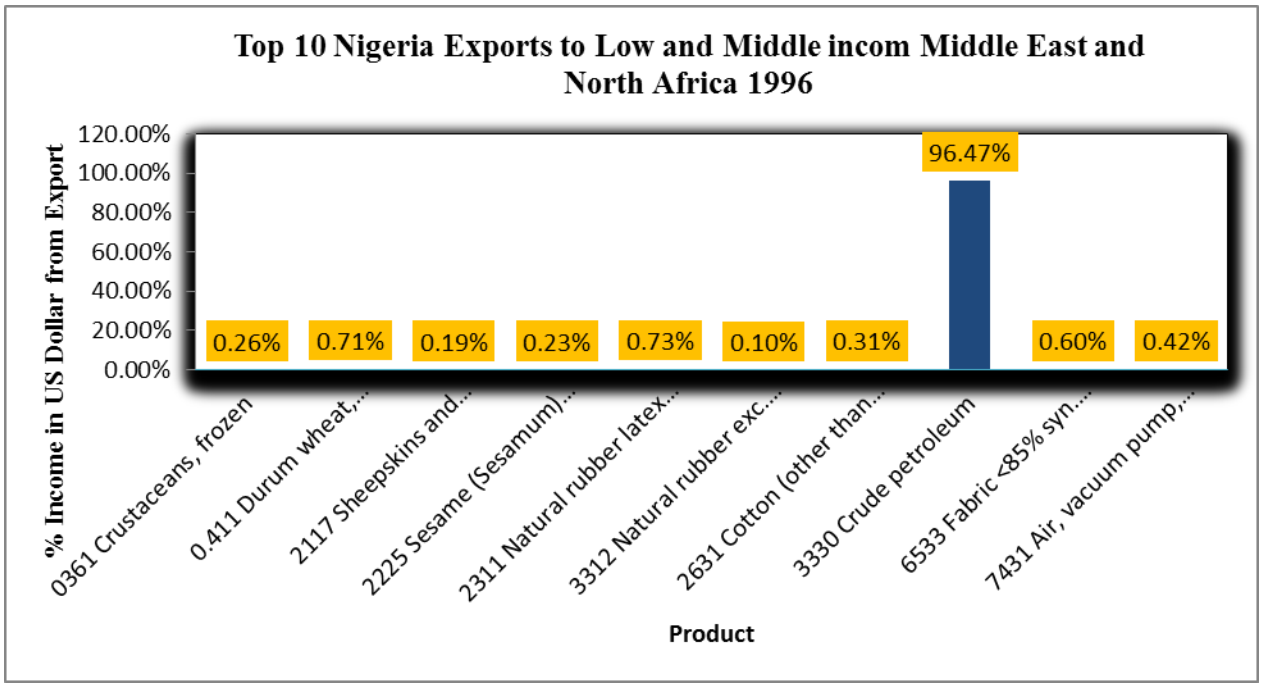


Figure 4.3: Export Structure of Top 10 Nigeria Exports to Latin America and Caribbean (all income levels) in 1996 and 2014

Source: WITS 4-Digit



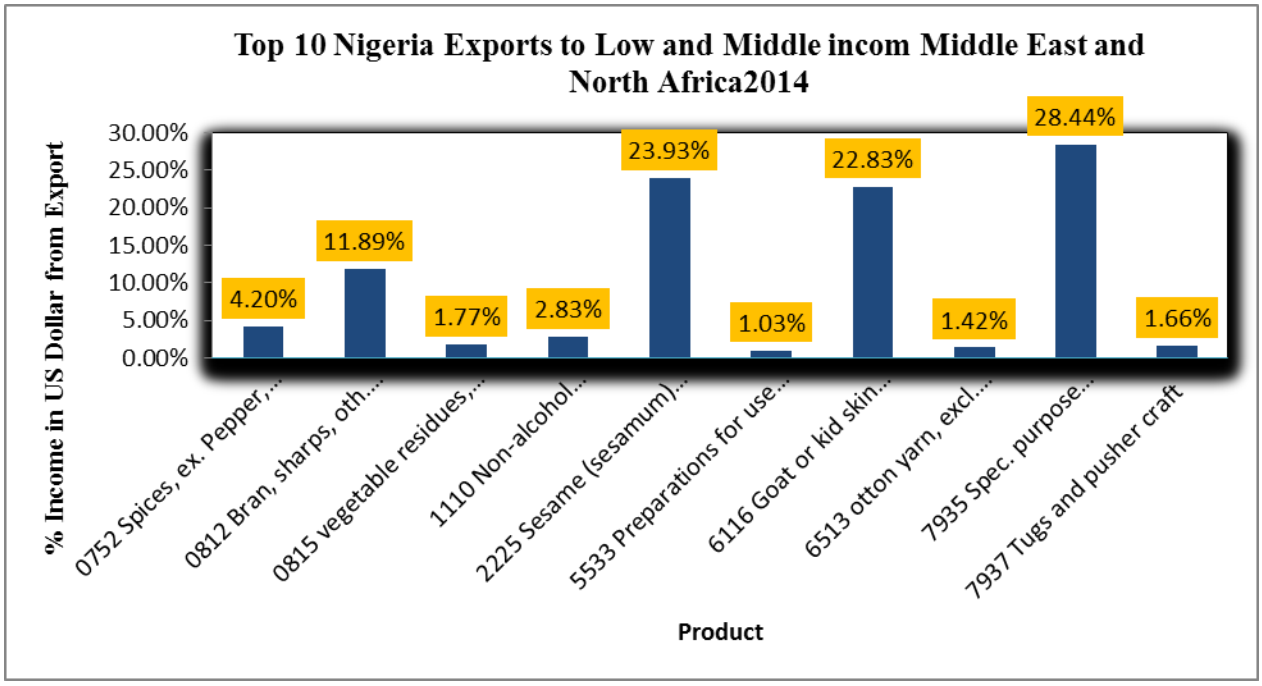
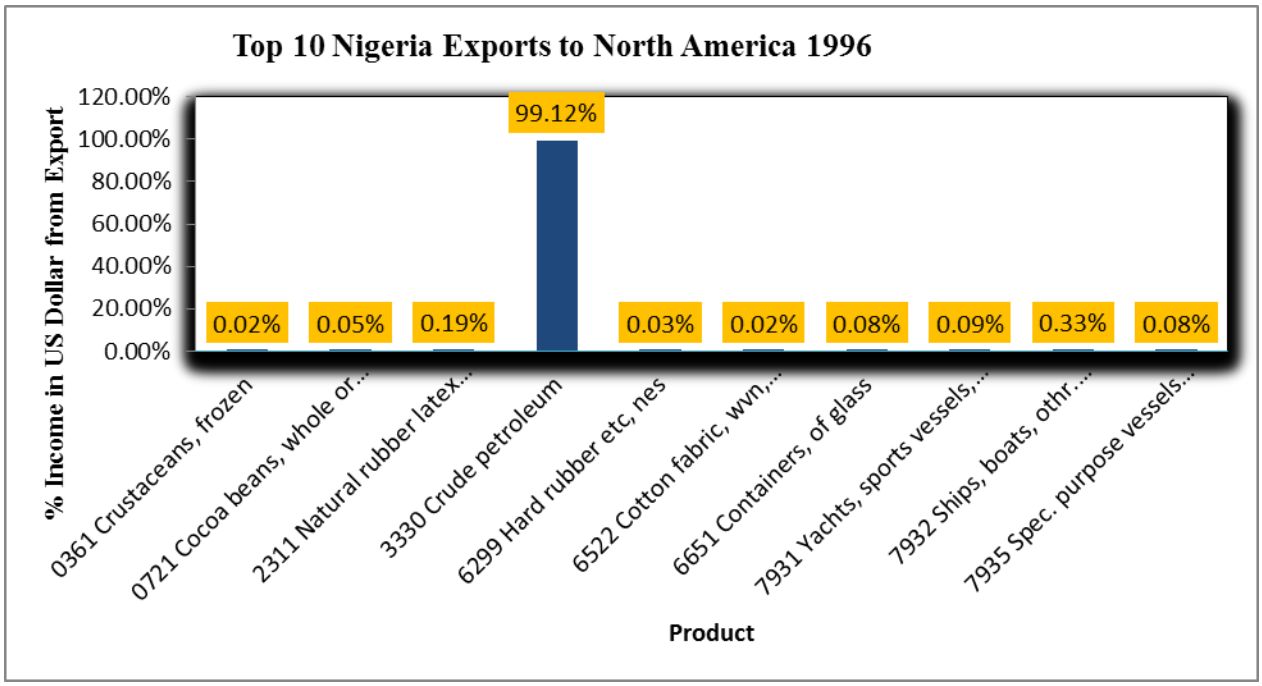


Figure 4.4: Export Structure of Top 10 Nigeria Exports to Low and Middle income Middle East and North Africa in 1996 and 2014

Source: WITS 4-Digit



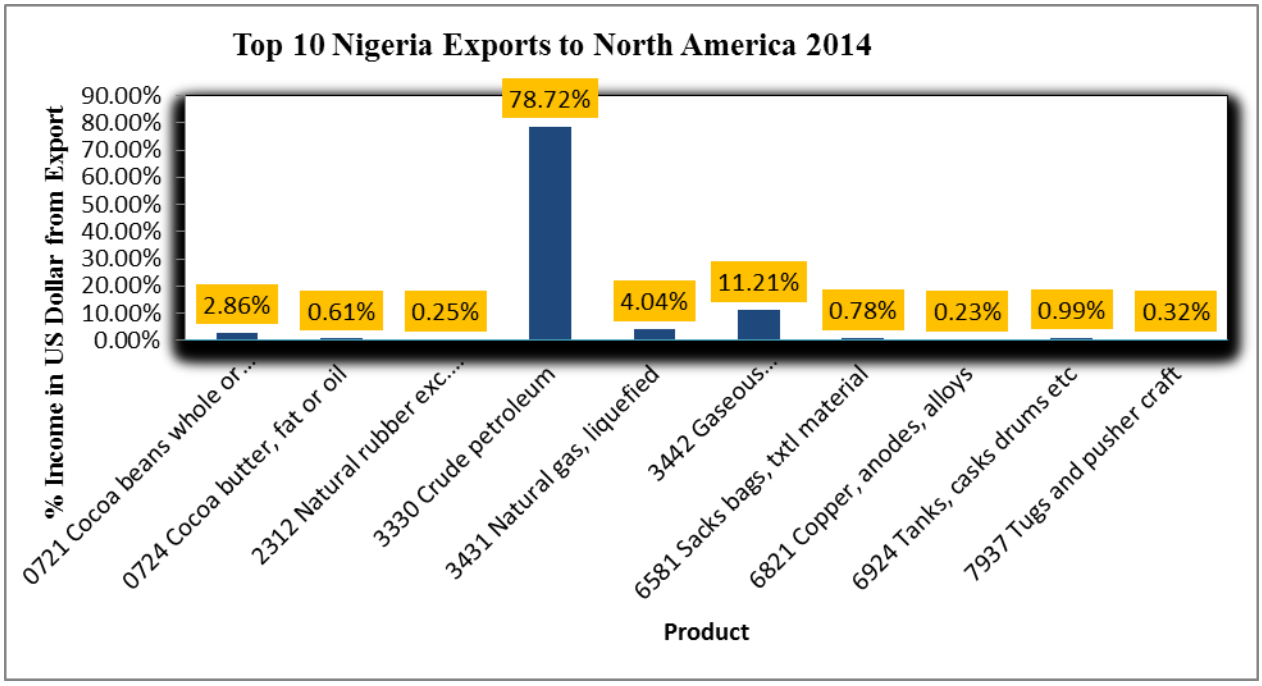
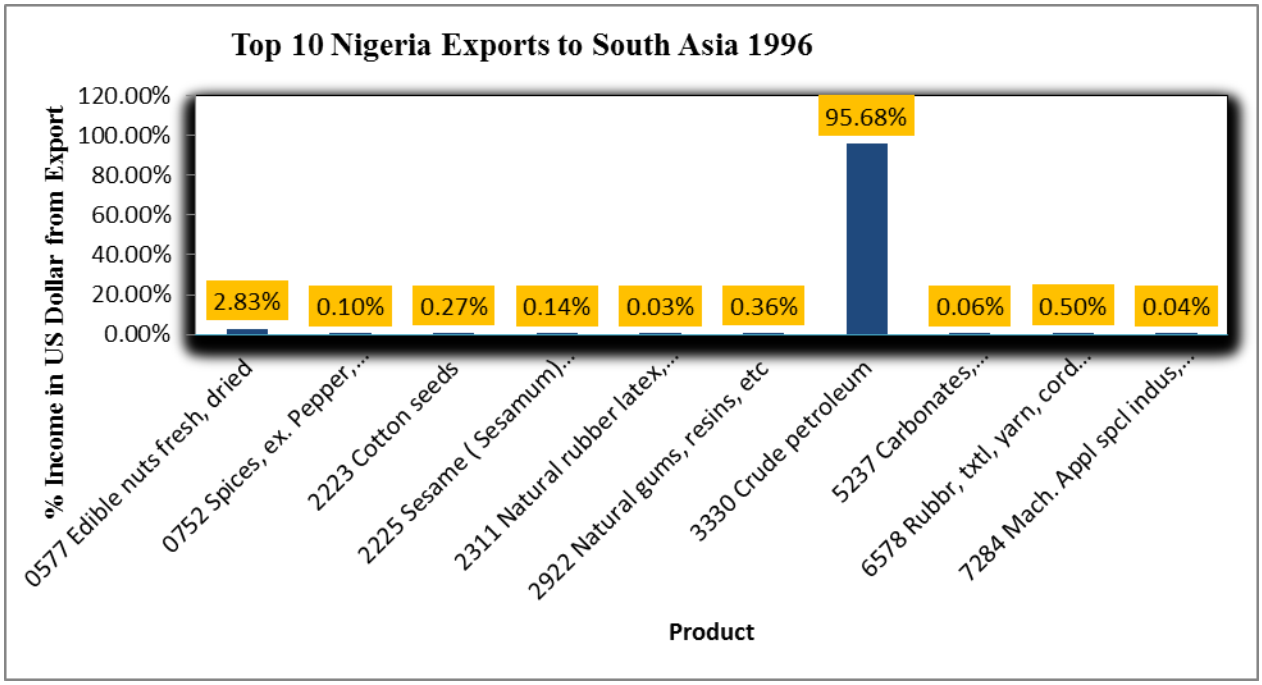


Figure 4.5: Export Structure of Top 10 Nigeria Exports to North America in 1996 and 2014

Source: WITS 4-Digit



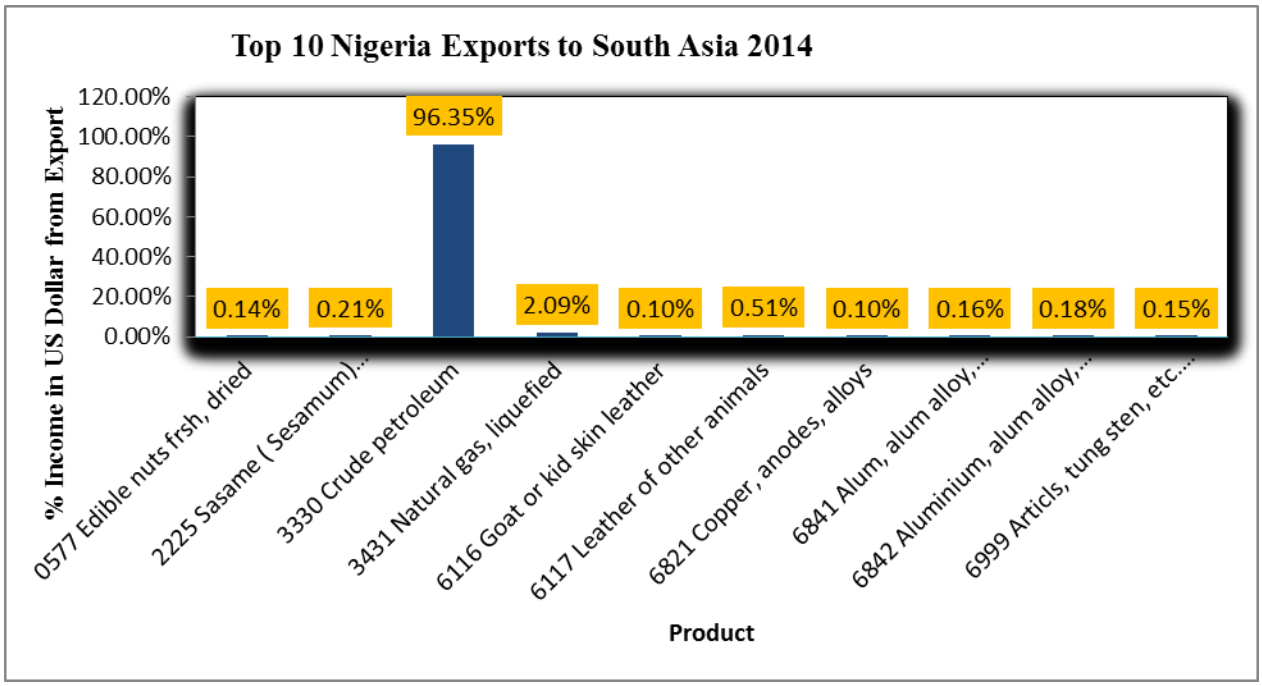
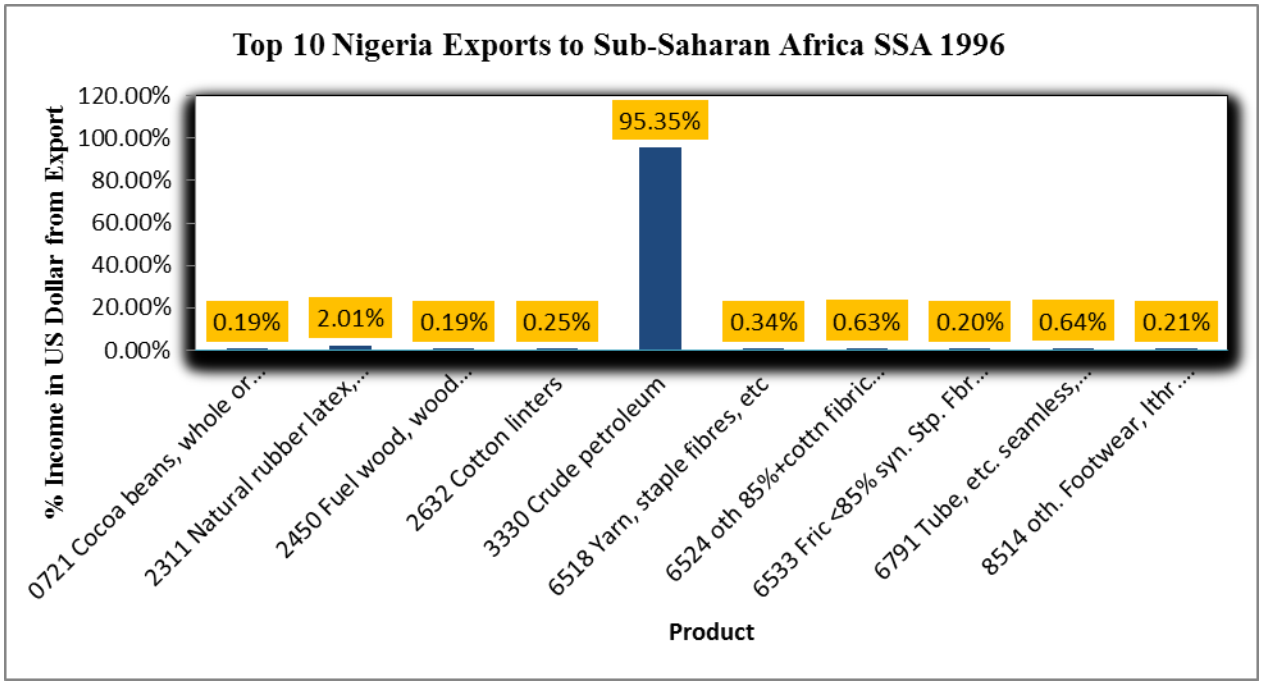


Figure 4.6: Export Structure of Top 10 Nigeria Exports to South Asia in 1996 and 2014
Source: WITS 4-Digit



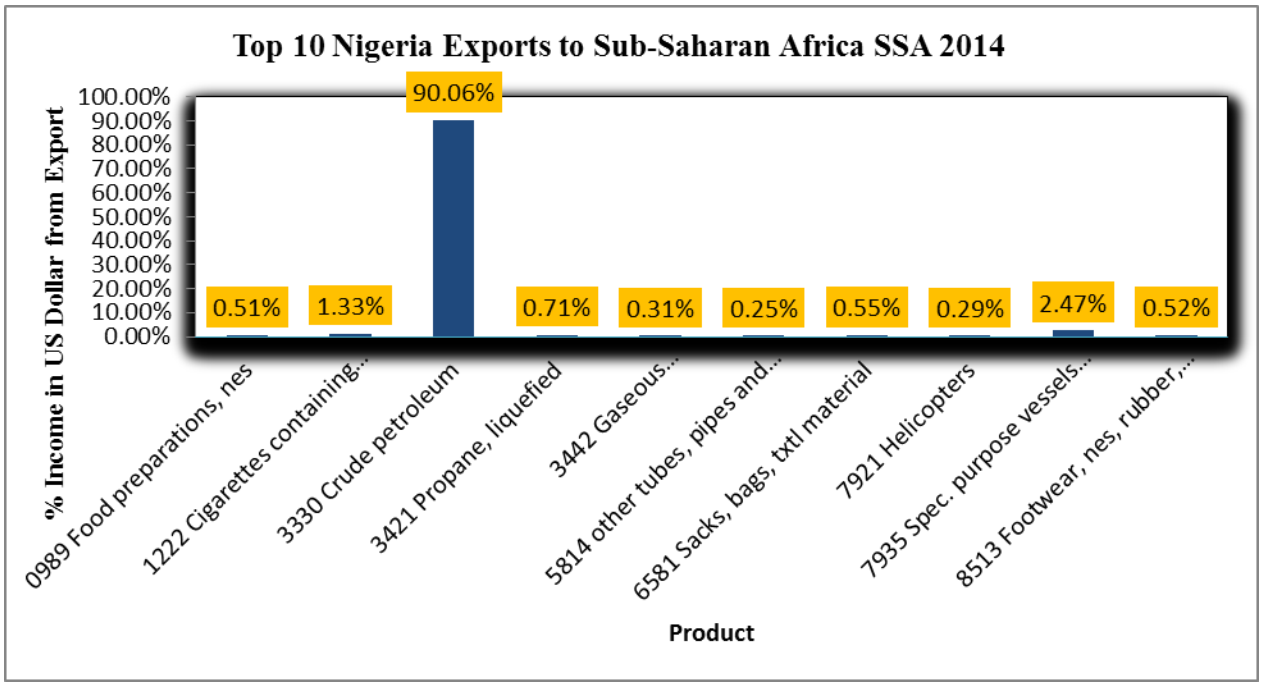


Figure 4.7: Export Structure of Top 10 Nigeria Exports to Sub-Saharan in 1996 and 2014

Source: WITS 4-Digit

4.4.2 Present situation

Alli (2008) reviewed the more current performance of the Nigerian manufacturing sector by surveying the results of a study conducted in 2007 by the Manufacturers Association of Nigeria (MAN). The report disclosed that during the last few years many of the manufacturing companies in the country have, as the past studies predicted, faced bad times. It was discovered that only a meager percentage of manufacturing companies10%) are operating at a sustainable level, whereas as much as 60% are going to shut down or have already shut down after facing several series of financial and other kinds of crises. Many factors were identified by MAN to be the root cause of the problem. The reasons behind the low growth and performance of the Nigerian manufacturing sector during the last few years include "high production costs caused by energy, high interest and exchange rates, influx of inferior and substandard products from other nations, multiplicity of taxes and levies, poor sales partly as a result of low purchasing power of the consumers, bogged down with delay in clearing consignments due to existence of multiple inspection agencies at the ports, etc" (Dipak and Ata 2003) .However, according to

Mazumdar and Mazaheri,(2003), despite this uncertainty in the business environment some their products and do so by increasing their expenditure on research and development. In Nigeria however, the research and development work is not being done at a good enough level required for the constituents to even see a steady growth in the performance of manufacturing organizations. It becomes necessary then, for the Nigerian government and the private sector partners to intervene in order for the situation to improve. Malik et al (2004) discloses, in a survey report administered under UNIDO's Centre for Study of the African Economy, that the skills and technology usage levels in the Nigerian manufacturing sector are not very satisfying. Not only that, the report also revealed that the Nigerian manufacturing sector is not even open towards the usage and adoption of the new technologies and skills; thus stagnating and even negatively affecting the efficiency of the firms. The reason behind giving less importance to new technologies and skills is traced back to the deficiency of adequate investment in the sector. Only half of the companies that participated in the survey disclosed that they made investments in technology during the period under study, this alone shows the trend in technology investment in the sector. The survey also divulged that the lack of financial facilities is exacerbated by the unwillingness of the investors to give their money to the manufacturing companies. When firms invest less in technology, they also invest less in the skilled labour needed for these; and with no other sources for capital for investment they are not in a position to remedy the situation. With barely any advanced machinery and techniques of production, the firms are rendered unable to compete in a larger scale. And as all of these issues continue to result in the low level of competitiveness of the Nigerian manufactured products, the overall efficiency and productivity of the sector will always remain on a lower scale (Malik et al 2004).

Ojowu (2003), with his analysis of the situation of the Nigerian manufacturing sector, came to the point that capacity utilization is an important issue that must be properly addressed in all discussions and all measures to be taken in the future. The researcher argues that the sector is

progressing very slowly due to low capacity utilization. Issues associated with capacity utilization such as capacity decline, capacity expansion and capacity mortality are essential discussion points in the issue of bringing quality into the performance of the Nigerian manufacturing sector. On top of these issues, the burden of external debt is also affecting the sector's performance. The researcher also argues that the government is not giving enough attention towards the policies related to the manufacturing sector as compared to those of other sectors. To contend with Ojowu's last point though, reforms must also be applied to different sectors that are associated with the manufacturing sector and not just the manufacturing sector itself; as the high or low performance of one sector can affect the progress of the others. For example, if the government works to improve infrastructure then the manufacturing of products will also be improved.

Enebong (2003) predicts that the level of the Nigerian manufacturing organizations' performance will continue to see a decline because as it is now, the manufacturers will have even more problems in accessing raw materials due to stiff competition from foreign firms. He theorizes that many of the policies implemented by the government in the late 1990s are still acting as barriers to manufacturing sector growth. Some of these policies include backward integration and the inward orientation strategies towards import substitution. The private sector also failed to play a significant role in the manufacturing industry; and there are certain reasons behind this such as import barriers, tariffs, licenses and other policies that resulted in raw materials unavailability. Alli (2008) however, points out that the government plays a very important role in the entire scenario of bringing improvements into the Nigerian manufacturing sector. The researcher observed some positive signs from the present Nigerian government and identified some of the major strategies that are being adopted with the intention of improving manufacturing sector performance.

According to Alli (2008), the government has realized that the manufacturing sector can act as the backbone of the economy and as it progresses in a positive direction, the country will consequently grow and prosper also. In this regard, the government has decided to make sure that the manufacturing sector will receive access to the domestic, regional and international markets. This is of course after adding value to the companies' products; and for this, the sector will need to take advantage of the country's oil and gas sector. The Nigerian government also seeks to apply the Public Private Partnership (PPP), wherein the government will invest in the development of infrastructure and will become a facilitator to the manufacturing sector. In effect, the manufacturing industry will gain great advantages from the improved infrastructure and the private sector will also be encouraged to invest in different productive manufacturing industries. Moreover, the government is also considering the cluster concept suitable for the economic condition of the country, keeping in view the geographical proximity and other ground realities.

4.5 Challenges of Textile Industries in Nigeria

The performance of the Nigerian manufacturing sector over the last four decades shows that there are some important problems that acted, and are still acting, as barriers to the growth of this sector. Researchers have also argued that some basic limitations are impeding the growth and development of the sector, even despite past studies and proposed solutions. In order to identify these core challenges, many of the researchers have conducted studies of the past and present conditions of the manufacturing industry of Nigeria. These researchers have conducted different quantitative and qualitative studies during different periods and have identified certain important limiting issues to aforementioned solutions.

Ayeni (2006) identified the core problems surrounding the Nigerian manufacturing establishments after he analyzed their pattern of growth. The researcher pointed out that the establishments are lagging behind in attaining sustainable growth because most of the time,

their operators and the Nigerian authorities reacted to market situation by formulating short-term policies and strategies. The researcher pointed out an important flaw in the economic policies of the country by arguing that there is less attention given to satisfying the needs of the domestic consumers, thus the demands for locally manufacturing products and goods remain low. In addition to Ayeni's findings, the acute shortage of infrastructure can also be identified as a factor that frequently hinders the manufacturing growth because organizations and agencies related to the provision of different infrastructures often failed to adequately deliver. This affects the flow of work in the manufacturing sector. At the same time the manufacturers and the investors also need motivation and encouragement so that the investors can become open towards investing in the different manufacturing firms.

Ultimately this would lead to the manufacturing companies obtaining access to the finances needed not only to keep their manufacturing operations afloat, but to run more effectively. Alos (2000) analyzed the business environment of Nigeria and observed that the performance of the manufacturing sector has been very uncertain, even nearly chaotic, for many years. The researcher also pointed out another important barrier that exists in the Nigerian manufacturing sector, and that is the low rate of capital utilization; not unlike the conclusion put forth by Ojowu (2003). He observed that in the manufacturing sector there is gross underutilization of resources and only 30% to 40% of the capital is being utilized in this sector due to "frequent power outages, lack of funds to procure inputs, fall in demand for manufactured goods and frequent strikes and lockouts by workers and their employers" (Alos ,2000) .

Okejiri (2003) revealed that one of the largest constraints for the high productivity of the Nigeria's manufacturing sector is, again, the low level of technology; as advancements in technology are changing the manufacturing sectors of countries all over the world.Developing

countries are rapidly adopting new technologies so that they can secure higher productivity and revolutionize their manufacturing industry. Unfortunately, the Nigerian manufacturing companies are still not focusing enough on acquiring modern machinery and as mentioned, up to now they are still using the same methods and machinery that were introduced as far back as the 1960s and 1970s (Adekoya,2009). It is this stagnant, almost stubborn, mindset that greatly limits this solution for the future growth of the sector.

Meagher (2006) meanwhile viewed the problem of Nigerian manufacturing sector from the perspective of inadequate academic research and development support from the Nigerian universities and other like institutions. He recommended that the Nigerian research institutions should be adequately funded by the Nigerian government and public, private, and even multinational organizations. This is so that these institutions will engage in purposeful researches that will help revive the decaying manufacturing sector. These institutions may also essential in preparing for the challenges of new oil discoveries; especially in the deep platform areas and in the northern part of the country where initial studies conducted by foreign oil companies have shown the possibility of the presence of oil. On the part of the manufacturing firms, the researcher also concluded that they must set up or upgrade their research and development departments so that new technologies and new raw local raw materials are discovered, tested and used.

A study conducted by Havrylyshyn (1990) pointed out some of the other major problems that act as barriers to high quality growth and performance in the Nigerian manufacturing sector. The researcher concluded that while the government of Nigeria has shown its willingness to promote and support the growth of the manufacturing sector, despite the measures they have taken there is a long way to go for the manufacturers to progress in an efficient manner. According the researcher's findings, investors in the manufacturing sector often lack a business-friendly environment. This environment is due to the legacy of the past misguided

In this case, the bound ceiling rate of 80% includes custom duties and other charges. These bound ceiling rates for both agricultural and industrial precuts are substantially above the country's applied tariff rates, and hence provide ample rooms for discretionary tariff changes. There is likely to be considerable pleasure on Nigeria to bind all its tariffs at rates that are much closer to the tariff.

Meanwhile, Nigeria has found itself under pressure regarding the consistency of various elements of its trade policy with its obligations in the GATT/WTO and even the legitimacy of some of the trade policy measures taken since the early 1980s (GATT, 1991; WTO, 1998). For instance, Nigeria's import prohibition measures and their stated justification has been the subject of many "consultations" at the GATT and WTO. Thus, October 1986 and 1988, as well as in March 1991, all in relation to Nigeria's import prohibition measures, which infringed the appropriate rules. Finally, in 1996, the committee ruled that the import prohibitions force in Nigeria could be justified under the appropriate multilateral trade rules. Nigeria accepted this ruling and offered to eliminate the restrictions between 1997 and 2005. But the country has actually continued to add to the offending restrictions. In addition, although Nigeria does not have any domestic regulation on safeguards, it invoked safeguard reasons in 1998 to justify some export prohibitions.

Similarly, Nigeria has justified some tariff increases on the bases of the need to combat alleged dumping of certain imported products. But contrary to the WTO regulations and its own domestic laws on the subject, no hearing opportunity was provided for the offending parties while import duties on the allegedly dumped products were raised against all countries rather than solely against the suppliers found guilty of dumping. These and other infringement of the provisions of multilateral trade agreement suggest that greater by policy-makers Nigeria is fully aware of and will faithfully implement its obligations under these

agreements. This is one important way of ensuring that Nigeria's trade policy remains consistent with the country's obligation to its trading partners and in mutual relations to these other nations in the context of multilateral trade negotiations (Oyejide, 2001).

A major advantage for any country in integrating in the MTS through the WTO is the automatic qualification for (Art. III), the two fundamental principles in the GATT articles that awards the goods (and services through the GATT articles) of a country to non-discriminatory treatment in the markets of other member countries. This enables a small LDC like Gambia to benefit, say, from the same tariff rate in Japan that are imposed on US goods if that tariff rate is lower. There is nowhere else where a small LDC could have achieved this over a large number of countries without going through numerous bilateral negotiations. The cost and savings resulting from the principle can be immeasurable especially where the country fully utilizes this opportunity by increasing exports.

The above point is an obvious generalization applying to all countries. A more specific benefit for countries like Nigeria in the MTS of the WTO is the assistance received for periodic Trade Policy Reviews (TPRs) that consists of a complete policy to determine the level of compliance to the MTS as well as the appropriateness of the trade policies for the country's situation. For highly, industrialised countries, these TPRs may act as nothing but an examination; for a small LDC such as Nigeria however, a TPR provides opportunity for the country to not only review the trade policy but to identify the shortcomings in the policy and correct them. This can prove particularly rewarding and effective if the country is prepared to learn from the experience as well as share experience with the trade analysts on the effective policy formulation of countries similar to the country in question.

The training, capacity building and other technical assistance opportunities provided by WTO to its members are invaluable to a country in Nigeria's situation. The member country is not

giving much to receive the technical assistance apart from the contribution to the WTO budget, which is minimal volume.

Another benefit to Nigeria from being a member of WTO is the forum that the organization provided for airing general views that can improve the treatment received by countries who appeared to be at a natural disadvantage, economic or otherwise, in their participation in the MTS. Through informal and formal meetings, regional negotiations and conferences, countries with similar interest can lobby to force an outcome favourable to their participation in global trade. An example is the outcome of the 2001 Doha ministerial meeting, which in a sense has redirected the trade agenda of the MTS towards a more development-oriented system.

Similar to the last point is the fact that low-income country like Nigeria gets the chance to use the dispute settlement arm of the WTO for seeking reprisal for any unfair treatment during trade that was meted out to it by another country. It is only in the WTO that a country like Costa Rica can take an economic giant like the USA over undergarments, and Peru can take EU over sardines, to disputes settlement and win the case. Although the benefits appear numerous and significant, there are certain disadvantages for Nigeria in being a member of the WTO. The WTO promotes the elimination of market distorting measure and thereby calls for low tariff bindings. For a small LDC with a huge import bill, depending on tariff revenue for its budget, this principle can be highly damaging to the country's development. There is an undoubted revenue impact for Nigeria in lowering the country's applied tariff rates. Moreover, market access data shows that the products of greatest value in terms of imports into a country tend to attract either the highest tariffs in the importing country, of the import substitute industry is protected or promoted in some form. For a heavily importing country like ours, this same concept logically applies and potentially over a larger number of goods,

hence the tariff revenue gained. Thus a decision not to maintain some high tariffs would not be favorable due to the high level of imports.There is an added cost in complying with WTO rules through the cost of notifications on any changes in implementing the numerous articles of the organization such as the SPS or the Anti-Dumping Agreement. These require both time and money, which is quite costly for not only a country like Nigeria, but even to transitional economies who lack the capacity to draw up the proper documentation for these procedures in addition to the cost involved. Similarly, using the dispute settlement mechanism also comes at a cost.

Talabi (2003) argued that the problems associated with the decimal performance of the Nigerian manufacturing originations are the by-products of policies and strategies that have been in practice for many years. To resolve these challenges, the government must focus upon the formulation of an equipment-leasing law that will work to improve the weak infrastructure of the country. If this is implemented, in turn the manufacturers will be encouraged to manufacture high quality products. It is also vital that there must be good management of funds and donations in a proper manner to assist manufacturing activities. Many of the funds and finance facilities provided by international and regional financial and trading institutions like the World Bank and the African Development Bank (ADB) are highly mismanaged at a national level; as a result, the fruits of the funds do not reach the manufacturing sector (Dipak and Ata 2003). If the government succeeds in providing the funds to the manufacturers, and if the manufacturers will make positive use of the funds, then the manufacturing industry of Nigeria can progress and make its presence valuable at the regional and international level.

4.6 Historical Background to the study Areas

4.6.1 Tofa Textiles Limited, Kano

What is today known as "Tofa Textile Limited" was initially a seed sown by the French investors a year after the Independence with the name "Northern Textile Manufacturers Limited" (NTM). The company was incorporated in 1961 and later started production in 1963. The factory hitherto belonged to a generation of industrial establishments which came into operation as part of the efforts to industrialize the post-independent Nigeria.

Though the company was believed by many to be owned by CFAO, because it owned about 51& of the total shares, it could be noted that, there were some other investors who pulled their resources together in running the company. Other three bodies that also had shares in the company include some Nigerian investors that had 21% and also Northern Nigerian Investment Ltd about 19% of the shares. The least went to Nishizawa Limited Japan which had just 9% of the total share capital.

This ownership structure remained relatively the same up till 1999 when the factory was sold in its entirety to the Akkad Group. The Lebanese business tycoon from Syria who acquired it had to leave the business within a short while due to old age; coupled with problems in other arms of the Akkad group. Though the company went into receivership in 2003, they continued producing until it was finally sold to Tofa in October, 2006. Hence, the name Tofa Textiles Limited came into being after the change of title of ownership.

Therefore, Tofa Textiles Limited was incorporated, and thus have been in existence since this period in this context. It is located at No. 5, Independence Road in Bompai Industrial Estate in the ancient but yet a highly populated and commercialized city of Kano. The factory's 20,000 square meters on a site of about 31,000 square meters has an installed capacity to turn out about one million blankets in various designs and categories every year.

The production process is basically divided into two main sections: The spinning mill and the weaving mill. The Spinning mill is further sub-divided into seven other sections which are

known for their distinct and unique functions. These sections include the pickering (here yarns are opened for production), Dyeing (here cotton, polyester and acrylic are dyed for blending), blending (here the three raw materials mentioned above are mixed for carding), carding (here the raw materials are moulded into yarn), ring frame (here yarn is further formed), cone winding (here yarn are removed from semi cones to main cones) and finally spinning (here coarse yarn are spinned for weft).

At the spinning mill, these sections are harmonized to ensure a continuous flow of several tons of yarn in assorted colours. These yarns are transferred to the Weaving Mill to be woven into blankets on wide shulterless looms. The Weaving Mill is further sub-divided into four sections. These sections include: weaving (here the yarn fibres are interfaced), raising (here bulks are added to fibres and smoothened), printing (here images are done by screen process) and finally finishing (which includes inspection, hemming and packaging).

The two mills put together, ensures the production of textile materials, in particular blankets. Therefore, the factory has been a regular manufacturer of blankets used by the government and private organizations since its inception. It is known for frequent supply of blankets to hospitals, emergency relief organizations, military and paramilitary outfits, schools, prisons and remand houses. They mainly supply uniforms to these organizations.

They have achieved a tremendous leap in our record of successful mandates to their individual customers, Non-governmental organisations (NGO's), private companies and State Government. Some of these bodies include Ministry of Health Jigawa State, Ministry of Health Sokoto State, Ministry of Health Kaduna State and Ministry of Health Katsina State, Dangote Foundation, Kano State Community Re-Orientation Committee (CRC), Nigerian Red Cross, Nigeria Prison Services, etc.

About 100% of the raw materials are sourced locally. Due to the nature of the product the company is undertaking the cotton used are mainly sourced from Northern Nigeria since they are appropriate for the production of such. The company markets its products through distributors located in all parts of the country. But about 80% of the company's products are sold in that same Northern Nigeria. However, the products have in the past reached countries like Niger, Chad, Cameroun and Benin Republic. These markets were reduced by the numerous challenges which have affected the textile industry over the years.

Table 4.1, figure 4.8 and 4.9 below represent the textile production in metrics tone and sales in naira on textile materials in the Tofa textile limited Kano. Figure 4.8 is the trend of production of textile materials in Tofa textile limited, Kano from 2001 to 2015. It was observed that the trend indicated a downward slope from 2007 up to 2015. While figure 4.9 is the trend of the sales of textile materials in Tofa textile limited, Kano from 2001 to 2015. It was observed that the trend indicated a gradual downward slope from 2010 up to 2015.

Table 4.1 Production and Sales Record of Tofa Textile Limited, Kano, 2001– 2015

Year	Textile Production(Mts)	Sales(Naira)
2001	352729	108376889
2002	582314	95276334
2003	415169	118421969
2004	396512	103716045
2005	485168	128467049
2006	308286	112155757
2007	359733	138512130
2008	335110	120595468
2009	328903	148557210
2010	305105	7084312
2011	298073	131845848
2012	275099	90542300
2013	267243	85276472
2014	245094	97963637
2015	236413	60815190

Source: Field Report 2017

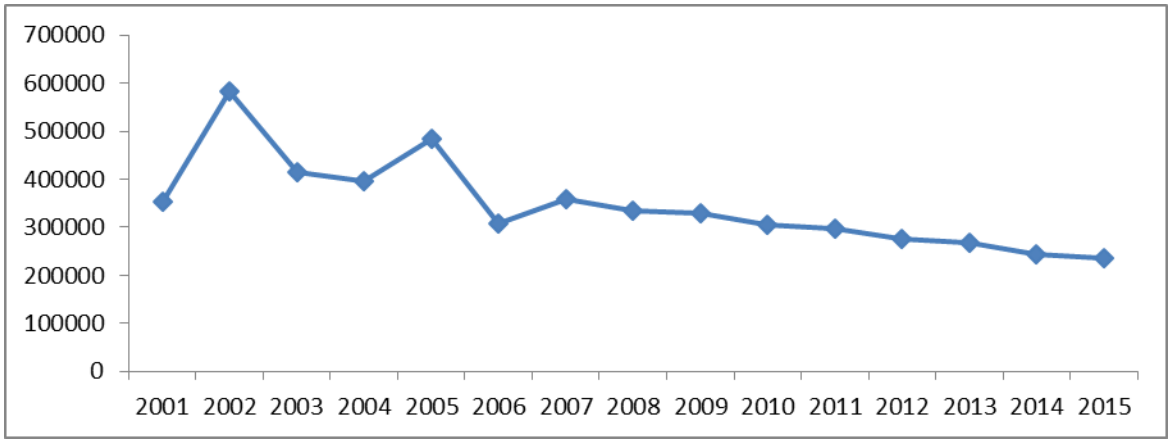


Figure 4.8: Trend Representation of the Production Record of Tofa Textile Limited, Kano, 2001 – 2015

Source: Field Report 2017

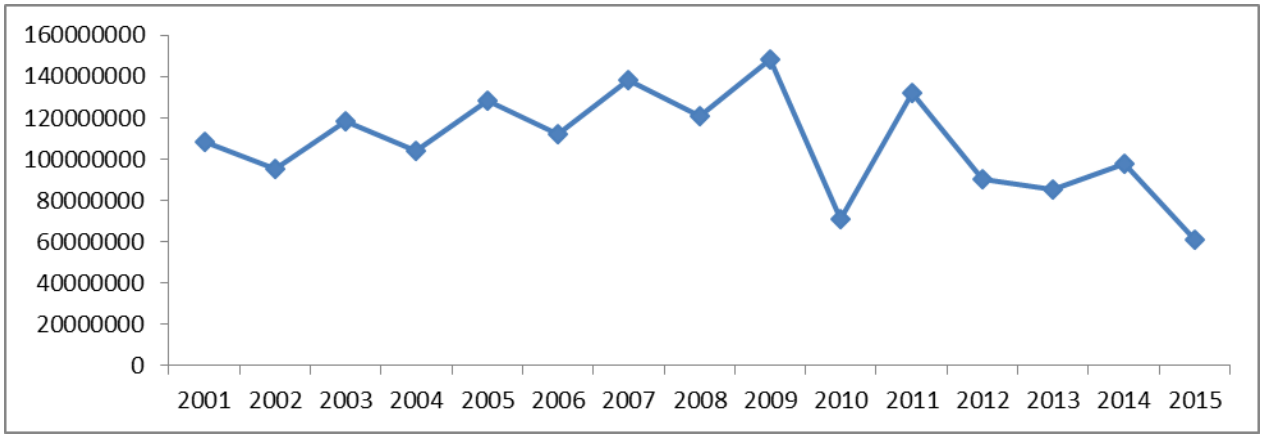


Figure 4.9: Trend Representation of the Sales Record of Tofa Textile Limited Kano, 2001 – 2015

Source: Field Report 2017

From figure 4.9 above, it shows a trend of sales of textile materials in Tofa textile limited, Kano from 2001 to 2015 indicating a gradual downward slop.

4.6.2 Nichemtex Textiles Limited, Lagos

Nichemtex Limited Ikorodu was founded in 1971 with the name Nichemtex Industries Nigerian Limited. It is quite important to note that the name "Nichemtex" was coined from the first few letters of the words "Nigeria", "Chemical" and "Textile". It was founded by Dr. Cha Chin Ming together with the Federal Government, The Lagos State Government ,

Nigerian Industrial Development Bank Limited (NIDB), The Co-operation from Azo N. V. of Netherland was sought and later received mainly for the Synthetics Fibre Factories and the company was incorporated in August, 1971.

Before 1990, the company's share capitals were distributed among the Federal Government, Lagos State Government, NIDB Limited, Foreign companies and other Nigerians as follows:

Table 4.5:1 showing Investors in Nichemtex

LOCAL INVESTORS		**FOREIGN INVESTORS**	
Federal Government	9.2%	Cha Chi Ming Ltd	27%
Lagos State Government	12.3%	Sikeen Limited	27%
NIDB Limited	9.2%	Other Foreign Companies	6%
Other Nigerian	9.3%		
TOTAL	40%	**TOTAL**	60%

Source: Adebayo Samuel, Historical Background on Nichemtex, 1991

A close look at this indicates that foreign investors have about 60% of the shares in the company while the local investors have 40%. But in 1990, the Federal Government sold off its shareholding to workers of the company through the Technical committee on privatization and commercialization, leaving the company in the hands of Chinese and Nigerian individuals.

Further analysis into the shareholding of the company indicates that the amount of shares in the company ranges from N1 to N1,000,000 and above. As at 31st of March, 2000, a decade after the Federal government had sold its shares to individual, the analysis of shares as published on the year's report was given as below:

Table 4.5:2 Number of Shareholders of Nichemtex textile Limited Lagos

RANGE OF SHARES			NUMBER OF SHAREHOLDERS	TOTAL PERCENTAGE
1	-	1,000	2,124	72.47
1,001	-	5,000	652	22.24
5,001	-	10,000	53	1.81
10,001	-	50,000	47	1.60
50,001	-	100,000	27	0.92
100,001	-	500,000	14	0.48
500,001	-	1,000,000	2	0.07
1,000,000	and	Above	12	0.47
TOTAL			2,931	100.00

Source: Nichemtex Industries PLC, Annual Report and Account 2000.

Cha Chi Ming Limited is wholly-owned by Dr. Cha Chi Ming and his family. Nichemtex Industries Limited is one of the twelve companies which constitute the Cha group. The Cha group operates in many parts of the world and has over the years accumulated a wealth of experience in the textile industry. The Cha group makes available to the company the technical expertise and result of development and research in the dyeing and finishing of textile cloth and textile yarns. The company is located along Ibeshe road in Ikorodu. The manufacturing facilities cover an area of approximate 69,000 square meters. Office residential accommodation and other buildings cover a further area of 3,061 square meters.

The company started its operation in 1972 with a textile Spinning and Weaving Plant. From 1976 to 1978 the company undertook a large expansion by the establishment of a polyester stable fibre plant. The company was granted pioneer status in 1978 by the Federal Government for being the first synthetic Fibre Manufacturer in the country. But due to lack of the supply of the basic raw materials, which the federal government promised to be supplying, the polyester stable fibre plant was abandoned since 1989. The objective of the company has been to operate an integrated synthetic fibre and textile plant which will supply

synthetic fibres and fabrics to the Nigerian market. It is unfortunate that this objective was not met because of the inconsistency of government policies.

The main raw materials for the polyester stable fibre plant were imported chemicals called Terepthatics Acid (TPA), a bye product of Petroleum and Ethylene Glycol. These chemicals are processed to form chips which were also raw materials for other sections of the company. The chips are transferred to the blending silos and dryer and passed to the extruder hopper machine for melting before being moved for spinning. The spinning box passes on the product down through the air duct to the large container in the fibre line, from there to the roller units of the dryer, then to the stable cutting machine and the polyester which is the end product. Likewise, the chips are transferred through the silos to the spinning section of the filament, from there to the FK6 machine for treatment. From the machine, the product is shifted for conning and further to the sorting unit. Here, yarn, the end product of this section is packed. Yet the polyester is however passed on to the spinning department as their own raw material.

Thus, having abandoned the chemical plant in 1989, the company was left with only the textile manufacturing section. In the year 1991, the company embarked on another expansion drive of its spinning and weaving Plants. At the Spinning department, raw cottons are blown into the blowing machine, the carding machine work on the lap and the end product called "silver" emerge. Likewise the raw cotton and polyester be mixed to produce the same "silver". The product is then moved into the cheese and the ring spinning machines that works on this to become cap. Further process will change the cap to become cone. A large quantity of the cone from Spinning section can undergo weaving process. They will be made to pass through chains of machines starting from yarn steaming, warping, sizing, pirn-

winding drawing, weaving machines (looms) and the folding machines. The end product called “grey” is produced here.

The grey is passed over for finishing. The finishing department was established in 1977. It is comprised of printing and dyeing. The major work here is the purification and coloration of textile woven grey fabrics. The colorants can be imparted into textile substrates by either dyeing or printing. Some years ago, other smaller companies depended heavily on Nichemtex for finishing their products. All these companies have been shut down because of the many problems facing the textile industries.

NichemtexLimited, Ikorodu is comprised of nine departments. These departments include: the head office and the general administration, personnel, spinning, weaving, printing and dyeing, Engineering maintenance, civil construction and synthetic. Like any other bureaucratic concern, it operates a hieratical organisation structure that is suitable for the manufacturing of textiles and fibres for profits. The organizational structure is pyramidal in shape Authority flows from the top-down as policies are made by the Board of Directors headed by a Chairman. In the years of the company up to the year 2006, it was headed by Dr. Cha Chin Ming. After his death in 2007, many others took over from him until today when the chair is being occupied by Lamido Sanusi Lamido, the Emir of Kano. All members of the Board bring into the company the benefits of their wide experiences in their respective disciplines viz: commerce, Government, Textile, etc, for the progress of the company. Other members of the company follow in line in their respective ranks.

The Personnel department is the nucleus of activities in the organization. Among its functions are the recruitment of new workers in accordance with needs of the organization, salary administration, seeing to the welfare of employees, man power training and staff development, conveying Management decisions to the workers. It has the duty of fostering

good industrial relations between the management and the workers. Other departments under the personnel include: accounts, logistics which are further divided into purchasing, transport, security, sales and warehouse departments.

The Engineering Maintenance and civil construction department performs the general maintenance of all the mechanical and electrical installations in the company. The engineering department fabricates in most cases spare parts and machine parts that would have cost the company a huge sum of money to procure and save time that would have been wasted. The civil construction section undertakes the construction and reconstruction jobs, painting, sign writing etc. needs of the company. The vehicle mechanics under this department maintains and repair the company's vehicles. All these departments, including the spinning, weaving and finishing departments which have been explained earlier, work together to enable the company meets its corporate objectives as planned.

Nichemtex Limited Ikorodu is known to be a large employer of Labour. As the organization expands its productivity base, it offered employment opportunity to the labour market. The company which at inception in 1971had a staff strength of 420 workers now have a staff strength of about 3000 as at December, 1991. And there were only 2119 workers as of August, 2015.

Table 4.4, figure 4.10 and 4.11 below represent the textile production in metrics tone and sales in naira on textile materials in the Nichemtex textile limited Lagos. Figure 4.10 is the trend of production of textile materials in Nichemtex textile limited, Lagos from 2001 to 2015. It was observed that the trend indicated a continues downward slope from 2001 up to 2015. While figure 4.11 is the trend of the sales of textile materials in Nichemtex textile limited, Lagos from 2001 to 2015. It was observed that the trend indicated a continuous downward slope from 2001 up to 2015.

Table 4.5:3 Production and Sales Record of Nichemtex Textile Limited, Lagos, 2001– 2015

Year	Textile Productions (MRTS)	Sales (Naira)
2001	28076	19921865
2002	24711	16763071
2003	25156	14767136
2004	27773	14995706
2005	22604	12436984
2006	16900	8975756
2007	15995	9682193
2008	14096	7807797
2009	14231	6033598
2010	11057	3994566
2011	9245	3566526
2012	8699	2485952
2013	6119	2495435
2014	4394	789604
2015	3167	785236

Source: Field Report 2017

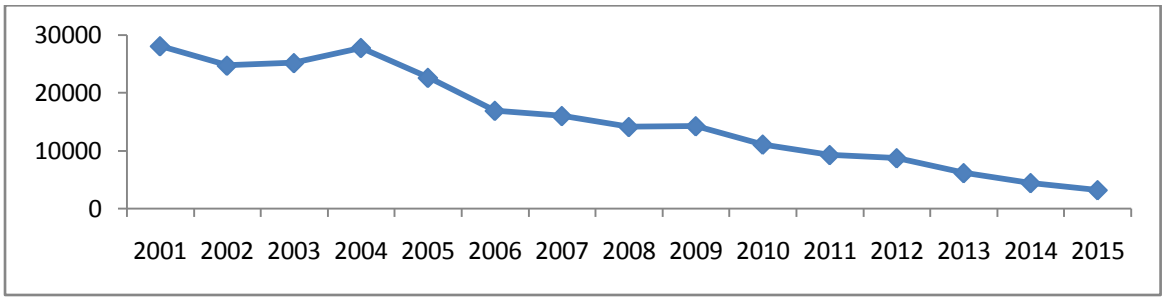


Figure 4.10:Trend Representation of the production record of Nichemtex Textile Limited, Lagos,2001 - 2015

Source: Field Report 2017

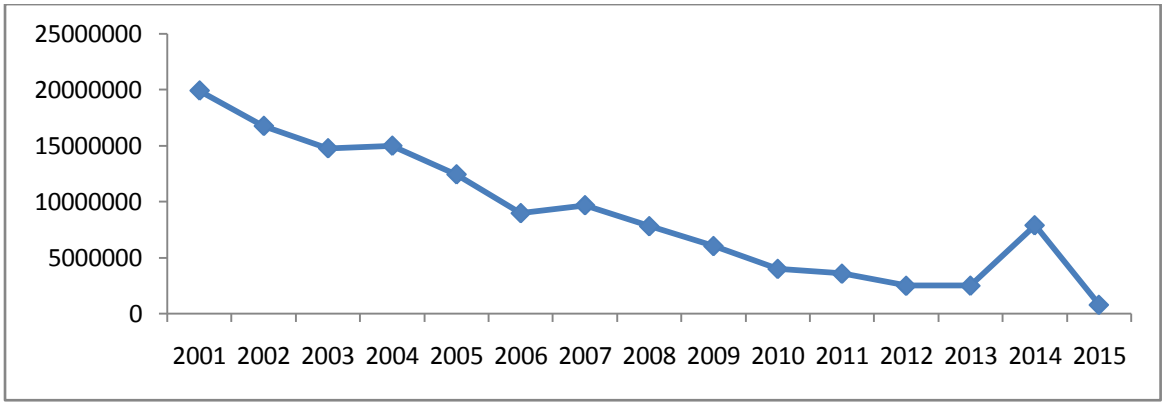


Figure 4:11. Showing Trend Representation of the Sales Record of Nichemtex Textile Limited, Lagos, 2001 – 2015

Source: Field Report 2017

The above figure shows the trend of textile materials in Nichemtex Nigeria limited, Lagos, from 2001 to 2015 indicating a continuous downward slope.

CHAPTER FIVE

DATA PRESENTATION AND ANALYSIS

5.1 Introduction

The thrust of this chapter is to present and analyze data generated from the field in the course of investigating the problem under study on the effects of the expiration of the Multi-Fibre Agreement on Nichemtex Textile Ikorodu, Lagos and Tofa textile Kano; 2001-2015. The study relied on In-depth Interview, Focus Group Discussion and Questionnaire for the generation of data as well as examinations of official Publications and Documents. To strengthen the analysis, highpoints of some valid views and opinions of respondents interviewed and discussed at the Focus Group Discussion as they relate to the objectives of the study were appropriately cited. For convenience of effective data presentation and analysis, the chapter is subdivided into sections and each section addresses the objectives of the study as stated in the introductory chapter of this work. In addition, key highlights of some prominent and valid opinions and other related data that are relevant to the problem under investigation are appropriately cited to compliment and strengthen the analysis.

The research aimed to target at least six hundred and sixty three (663) questionnaires administered and recovered based on Taro Yamane formula as discussed in chapter three. To achieve that, the researcher administered a total number of eight hundred questionnaires (800) to the population of this study in order to attain the target. Four hundred (400) questionnaires were administered to each of the two (2) textile industry under study i.e. Tofa textile Nigeria Limited, Kano and Nichemtex Nigeria Limited, Ikorodu, Lagos. That was done in view of the fact that not all the questionnaires administered will be duly completed and returned, in order to achieve the baseline of 663.

The reason for sharing equal number of questionnaire to the two industries is based on the information derived from the pre-test conducted on the industries where the accurate numbers

of staff of the industries were made available to the researcher. The two industries have almost the same number of staff strength as explained in chapter three (3).

This chapter contains the transformation of those data collected from the field through proper classification/tabulation according to how they discriminate against each other on the basis of each respondent's position as the case may be.

It is important to state here that data generated are presented in disaggregated form based on each textile industry before aggregating them for analysis. This is to enable us see if there are any variations and similarities in terms of data generated from the two textile industries.

The demographic data of the respondents sampled is a division in cross-sectional data analysis. This is a section where the characteristics of the respondents such as the age, sex, marital status, educational attainment and the occupation of the respondents are revealed in tables and charts.

The number and the percentage by age category of the respondents are presented in table 5.1 below. 76 respondents representing 23.24% are between 18 to 25 years of age, 71 respondents representing 21.71% are aged between 26 to 35, 142 respondents representing 43.43% are aged between 36 to 45, 33 respondents representing 10.09% are aged between 45 to 55, while 5 respondents representing 1.53% of the respondents are aged 56 and above . Figure 5.1 presented the age categories of the respondents in number while figure 5.2.1 presented the age categories of the respondents in percentage. The age distribution shows that majority of the respondents are between the ages of 26 to 35. This is because the age category falls within the active labour forces of the population who are engaged in some productive activities at the time of this study.

Table 5.1: The Age Category of Respondents

Category	Frequency	Percent
18-25	76	23.24
26-35	71	21.71
36-45	142	43.43
45-55	33	10.09
56 and above	5	1.53
Total	327	100.00

Source: Researcher's Survey 2017

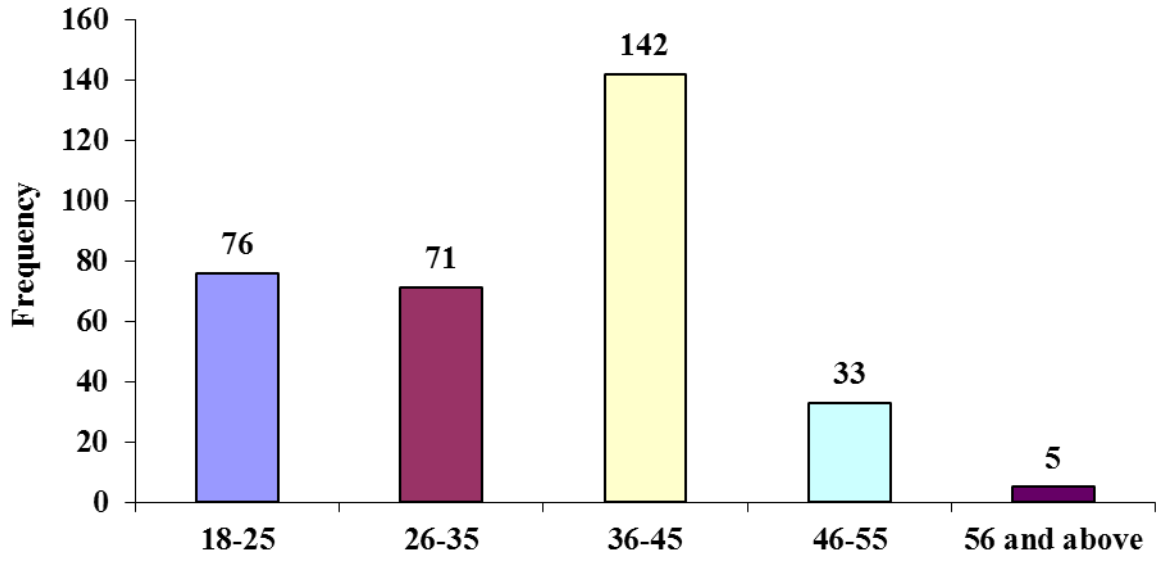


Figure 5.1: The Bar Chart Representing the Age Groups of the Respondents

Source: Field Report, 2017

In table 5.2 below, the sex category of the respondents are revealed. It was indicated that 251 respondents representing 76.76% are male and 69 respondents representing 21.10% are female. Figure 5.2 presents the sexes in the percentages. This revealed that male participated more than female in the survey. The high percentage of males from the response rate shows that the textile industry is labour intensive. Aside of this, the socio-cultural factors in

Northern Nigeria may not be favourable for female to be exposed to this kind of factory work. Hence, this partly explains why the gap between the male and female is so wide.

Table 5.2: Sex category of the respondents

Category	Frequency	Percent
No response	7	2.14
Male	251	76.76
Female	69	21.10
Total	327	100.00

Source: Researcher's Survey 2017

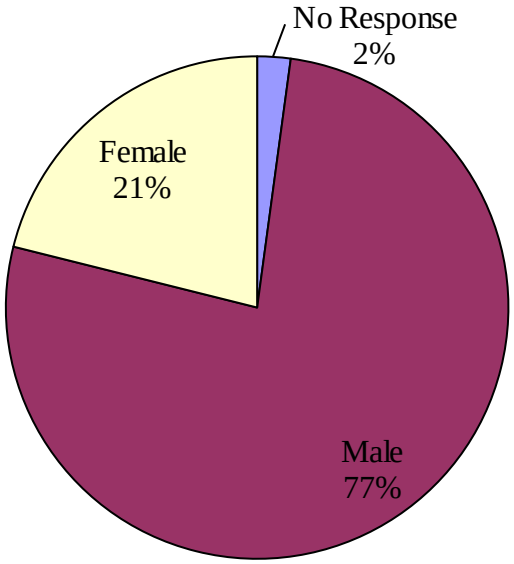


Figure 5.2: The Pie Chart Representing the Sex of the Respondents

Source: Field Report, 2017

Table 5.3 and figure 5.3 presents the marital status of the respondents. 102 respondents representing 31.19% are single, 218 respondents representing 66.67% are married, two respondents representing 0.61% are divorced while five respondents representing 1.53% did not respond to the question. It was revealed that married people participated more in the survey than any other category of the respondents.

Table 5.3: Marital Status of the Respondents

Responses	Frequency	Percent
No response	5	1.53
Single	102	31.19
Married	218	66.67
Divorced	2	0.61
Total	327	100.00

Source: Researcher's Survey 201

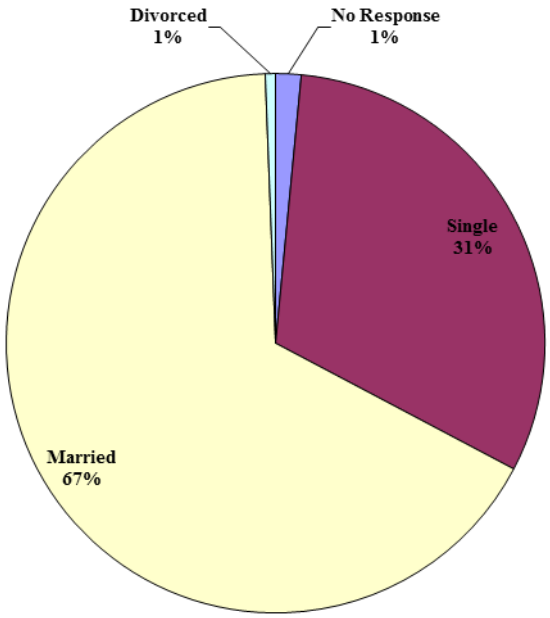


Figure 5.3:The Pie Chart Representing the Marital Status of the Respondents

Source: Field Report, 2017

Table 5.4 and figure 5.4 below presents the educational level of the respondents. As regards the level of education of the respondents, it was revealed that those with primary school certificate are 7 in number which constitute 2.14%; those who possess secondary certificate

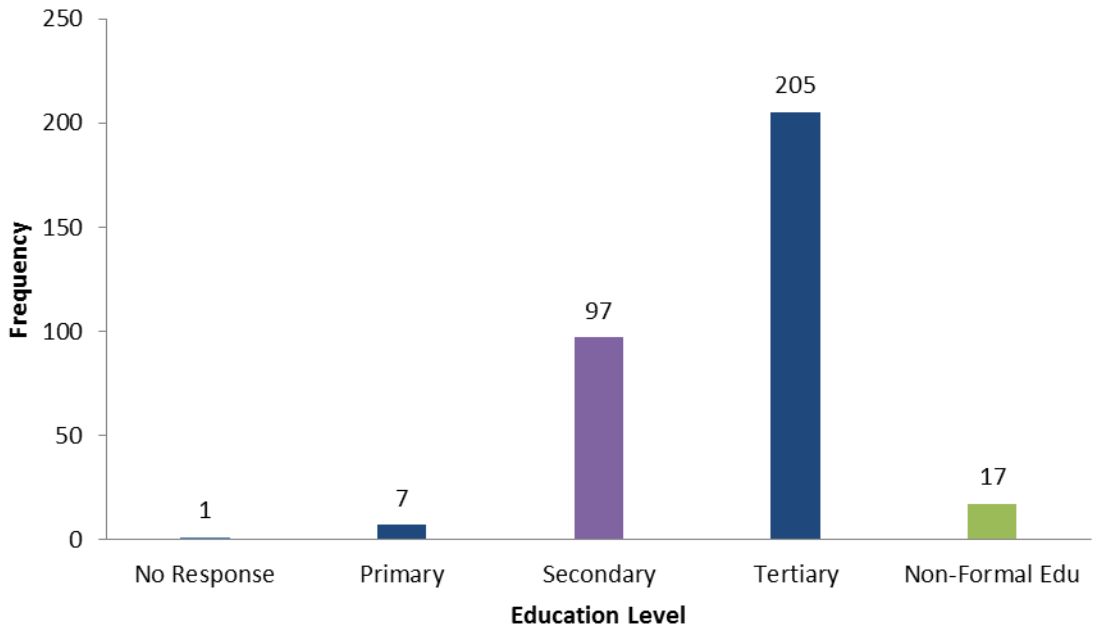
are 97 respondentsand constitute 29.66%, those with tertiary education are 205 respondents representing 62.69%, while those with no formal education are 17 respondents constitute 5.20%. This shows that those with tertiary education participated more in the survey implying that there is a high level of education in the study area. It may be surprising to see that the number of respondents with tertiary education is high from table 5.4 and figure 5.4. The reason as discovered from the study is because, most of the factory workers with tertiary education are predominantly from the North Central and other parts of Nigeria and not indigenes of Kano.

Table 5.4: Educational Level of the Respondents

Level	Frequency	Percent
No response	1	0.31
Primary	7	2.14
Secondary	97	29.66
Tertiary	205	62.69
Non-Formal Education	17	5.20
Total	327	100.00

Source: Researcher's Survey 2017

This table is represented in the Bar Chart Showing the Respondents Education Level



Source: Field Report, 2017

Table 5.5 and figure 5.5 represent the occupation of the respondents. In terms of the occupation of the respondents it was revealed that, 91% are factory workers, while 9% are security. This implies that most of the respondents who

participated in the survey are factory workers. The reason been that the study is industrial based.

Table 5.5: Occupation of Respondents

Occupation	Frequency	Percent
Factory worker	297	67.59
Security	30	9.17
Total	327	100.0

Source: Researcher's Survey 2017

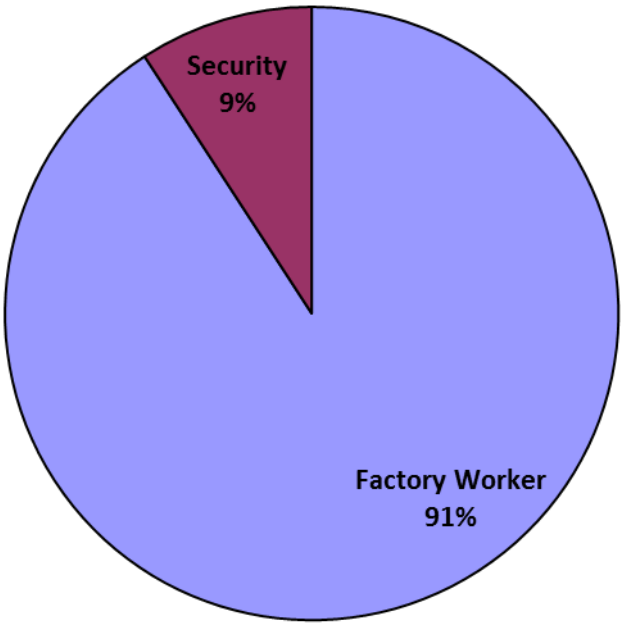


Figure 5.5: The Pie Chart Showing the Respondents Occupation
Source: Field Report, 2017

5.2.1 Analysis of data from Tofa Textile Limited, Kano

From table 5.6, 68.81% of the respondents are said to be knowledgeable of the WTO liberalization policy, 27.83% said they did not know WTO liberalization policy, 0.61% were indifferent of their knowledge of the policy while 2.75% did not respond to the question. Majority of the respondents seemed to be knowledgeable about the WTO liberalization policy. We can conclude from table 5.6 that knowledge of the world trade liberalization policy is high in the study area. It is noteworthy to state that even the seemingly uneducated among the factory workers claimed to be fairly knowledgeable as they have attended some trainings and workshops in the past where they were taught about this policy. Figure 5.6 present the number of respondents based on their understanding of WTO liberalization policy.

Table 5.6: Respondents understanding of World Trade Organization (WTO) liberalization policy

Response	Frequency	Percent
No response	9	2.75
Yes	225	68.81
No	91	27.83
Indifferent	2	0.61
Total	327	100.0

Source: Researcher's Survey 2017

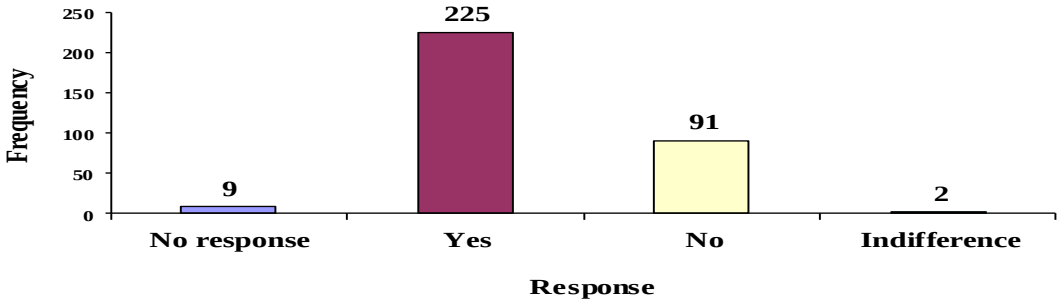


Figure 5.6: The Bar Chart Representing the Respondents Understanding of WTO Liberalization
Source: Field Report, 2017

From the response rate of the respondents presented in table 5.7 below, the findings reveal that 38.84% are of the opinion that Tofa textile industry has benefitted while 53.21% of the respondents reveal that Tofa textile industry has not benefited from WTO liberalization policy and 7.95% are indifferent. From the response rate it shows that Tofa textile industry has not benefited from the World Trade Organization (WTO) liberalization policy. Figure 5.7 below reveals that about 127 of the respondents indicated that Tofa textile industry has benefitted from WTO liberalization policy while 174 said Tofa has not benefitted and 26 were indifferent.

Table 5.7:Respondents' view on whether Tofa textile industry has benefitted from the WTO liberalization policy

Response	Frequency	Percent
Yes	127	38.84
No	174	53.21
Indifferent	26	7.95
Total	327	100.0

Source: Researcher's Survey 2017

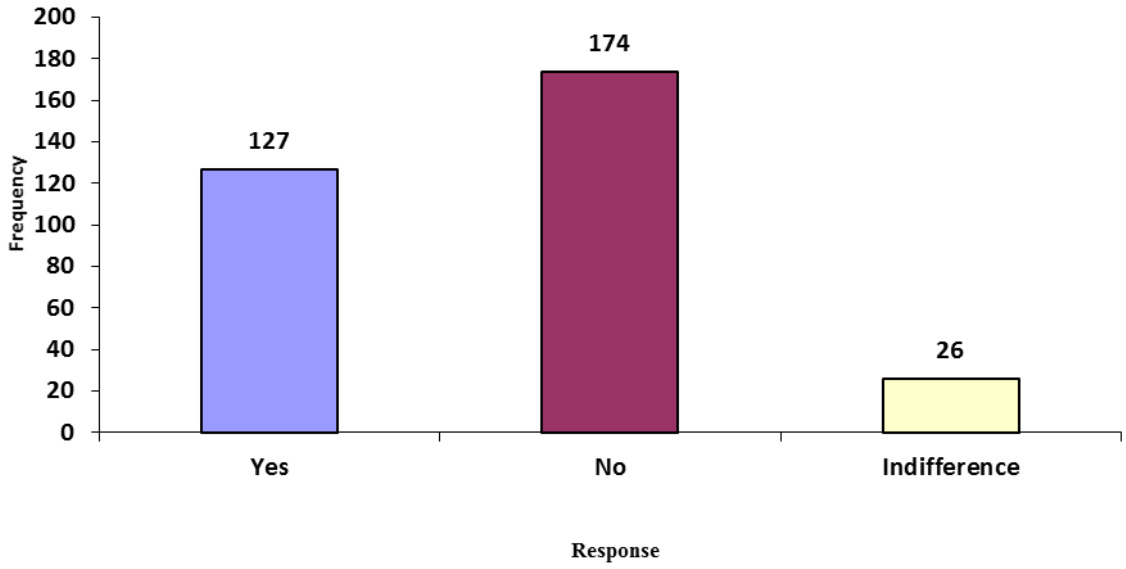


Figure 5.7: The Bar Chart Representing Respondents View on how the Nigerian Textile Industry Benefited from the WTO Liberation Policy

Source: Field Report, 2017

The above was corroborated by in-depth interview. For instance, the interview conducted reveal that there were divergent views as regards to the benefits of textile industries from the WTO liberalization policy, however, some textile industries benefited and others did not benefit from the WTO liberalization policy. One of the respondent said:

> "It gave room for all these imported materials from other countries. I can say that it blocks our way into the market. It hinders the patronage of our products by our people. This company before had a staff of about 4000. That time, we produce and government and people patronize us. We even send our goods to Chad, Senegal and other countries. But because of the hard condition in the country, things have changed. From 4000 staff, we are left with about 1800 staff. If you enter some sections now you will see that it is empty. We run three shifts before but now only one shift and one person operates three machines now in some cases."

This position was given credence by another respondent who reiterated that some internal factors compounded the problems of textile industries. This respondent observed that:

> Though that did not directly affect the energy production in the country, but National Electric Power Authority (NEPA) could not sustain us. We had to buy generators from Germany or so. These are the problems that contributed a lot to why some textile companies closed down instead of investing their money".

In a similar direction, another respondent interviewed who claimed anonymous said:

> There are so many advantages, because when you have your products and you want to export them. Though I don't think foreign countries use to accept textile materials here. Hope you are understanding me, because of the high quality of their own production. The finished goods there and our own is different. But there are some African countries that we export our goods there and they will take it. And based on the exportation which is part of the WTO, you know we only import raw materials. The raw materials we import the usage almost 80 or 90 %, the wastage stand at 10%. If we produce our own raw materials here, you could see that the usage will be almost 60% - 40%. So that is one of the advantages that we can say. Then if the government can put a consistent policy in the exportation of goods, the way we are importing the foreign country goods, at least that one can help the textile industry to improve and gain more.

Another respondent said:

> On the benefit aspect, to me, I feel it will help our products to be exposed and compete with the international bodies. And also it can make the company name be known far and near. It can help the company to get more contracts from international bodies or more investments from people that want to venture into the textile business. But the government policy is also another problem. Because they are not helping the textile industry that is why the companies are staggering. They lay some workers off to see if they can cope. They close some departments. Some machines are abandoned. We are trying to see if we can cut cost. Look around now you will see grasses everywhere. We use manpower. But then we use tractors to cut the grasses. Now because of the nature of the economy, things are very tough.

The response rate from the table 5.8 below reveals that 33 respondents representing 10.10% are of the opinion that the textile industries could derive benefit from the WTO trade liberalization textile industries could not derive any benefit from WTO's trade liberalization. Lastly, 30 respondents representing 9.17% of the response rate indicates that they are indifferent. From the response rate it is indicative that majority of the respondents said textile industries could not derive any benefit. Figure 5.8 presents the number of respondents while figure 5.8.1 presents the respondents views on the benefits the Nigerian textile industries could derive from the WTO trade liberalization in their percentages.

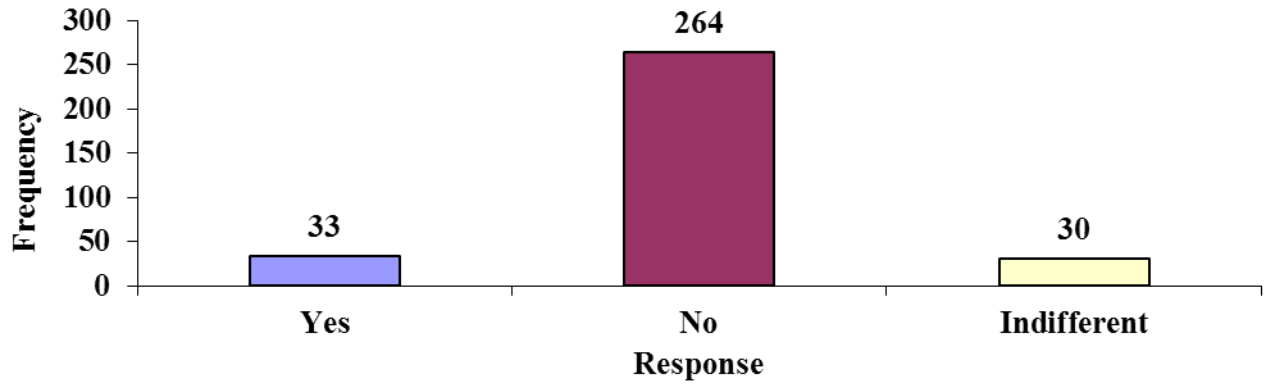
The data from both questionnaire and interwoven with In-depth interview have shown that the result are mixed with some alluding some benefits to WTO trade liberalization policy while some are of the view that the policy has not benefitted textile industries in Nigeria.

Table 5.8: Respondents' view on the benefits of WTO's trade liberalization on the Nigerian textile industries

Response	Frequency	Percent
Yes	33	10.10
No	264	80.73
Indifferent	30	9.17
Total	327	100.0

Source: Researcher's Survey 2017

Figure 5.8: The Bar Chart Representing Responses on the Benefits Respondents' view on the benefits of WTO's trade liberalization on the Nigerian textile industries



Source: Field Report, 2017

The table and figures presented above are corroborated by the result of Interviews on the benefits of WTO's Trade Liberalization to Nigeria Textile Industries. For instance, a respondent said:

> Yea there are benefits but I must tell you that there are more of disadvantages to us. If the products we produce here and we can take it to other place to sell, then we can say we have benefits. But since we cannot produce and take to China to sell, then there is no benefits yet. Let me say that the policy is of advantage to them than to us. It is a disadvantageous to us".

Another respondent who claimed anonymous had similar view in line with the advantages and he said:

> Yes we do export to West Africa countries. We export to Togo, Ghana. Yes this West African Economic Unit that allows products to go from one country to another. As they receive our products, we also receive their products. You see, they smuggle goods to our country. But in our own care we don't adopt that method.

> There are two ways - The inflow from Asian countries are not the legal inflow. When I say that they are not the legal inflow, I mean that they do not pass through the normal process. It is only smuggling. And that is why they bring in all these inferior products, and you know in recession people will go for cheaper article as long as they have the resemblance of textile. They don't actually ask about standards. The ordinary Nigerian do not know the standards and parameters required for fabrics.

So we do export to specialize countries. But we are sure of our products. But we are not sure of products coming into our country. You see, the cost of manufacturing here is very high. And more so because of the deep recession, so our price may be 3 or 4 times costlier than the imported ones. I mean the smuggled ones. I will not say imported, if I say imported it means they have gone through the normal process.

Another issue here is the psychology of an average Nigerian. This is another factor we should take into consideration. Most especially in this Lagos market,anything foreign, they prefer it than quality. And often in most cases, 99.9% times, they are not better in quality. Our quality is a very high standard because Standard Organization of Nigeria(SON) monitor all manufacturing companies especially the MAN members. They do monitor us at least 4 times in a year. They did the last one last week. And if you are not certified, you cannot put your product outside. But they do nothing to verify the quality and relevance of those imported materials. Another respondent reiterated that:

> About two years ago, they brought 36 statistics sample purported to be products from our company. But they bought and brought it to our laboratory for clarification. And to actually know if these statistics sample meets the minimum requirement in all the departments they have indicated in their manual. But unfortunately they were with us for 2 weeks. We were doing the test and everything together. They discovered that none out of that 36 sampled products met the minimum standard. And that is how they went away with the report. They were surprised. You continue to tighten the nuts on the local industries. And you allow those products to come in, they were here. They saw it .we don't know the steps they have taken over the years.

We have to face the reality. Products being smuggled into this country are not being monitored. And that is why when somebody is selling Excellence at the rate of N1,000, while our factory price is not less than N2,000. And by the time it reaches the final consumer the

price might have risen up to N3,000. You see, cost of production is very high. All the inputs, they are very high. Cotton per/kg jumped from N190 to N690, it is about dollar.

This revelation by these respondents shows the hypocrisy and inconsistency of government policy especially in the textile industries. While things are made difficult for our local infant industries, foreign products that are in most cases of less quality are allowed free inflow. For instance one of the respondents said:

Even the gas, they now dollarize it. The gas derived locally from our country is dollarized. You pay them in dollar, so how do we survive. And we don't talk of replenishment of raw materials, machines, we have not even talked of one form of demand or another from government agencies for one form of parcel or the other as in levy, both federal, state and local government.For example now, we have very big issue with energy (electricity) for the past one month, we have been cut-off because MAN said that we should not key into the incessant increase in the unit price of energy. And as far as we are MAN members, we listened to their directives. They went to court, this energy generating people took advantage of the technical loophole they saw there, to cut-off some of the textile companies in Ikeja. They have not resolved the issue. The case have be adjourned to the next year. Are we going to survive with close to 3000 workers?

They are being paid, without production. Look at the large number of workers, apart from their dependants. That is why the company said that we should go on compulsory leave. The outsider may ask whether we have special formular or what. The formular we have, we have used the last option. Our prayer is that they should reconnect us before the end of this year. If they refuse, the company will be in a very big problem. You can ask anybody for one full month 17th November to 17th of December year 2014, the company is paying salary without staff working.

But another respondent gave a divergent view stating the disadvantages thus:

No gain. Instead we lost. Before WTO, we are up to 3 million members. But now we are around 20,000 members. Do you say we are gaining? In Kano alone, how many textile factories do we have? Close to 20. But even the surviving ones cannot be more than 3 or 5. Even out of that 5, look at them very well. If you come to Kano now, the textile companies you can count on today are Nigerian Spinners and Dyers, Baco and African textile. Other ones

you are seeing are standing on one leg. I am presiding over them so I know the capacity of everybody. They are dead due to this policy.

Table 5.9: Views of the respondents on the nature of benefits Tofa textile industry has benefitted from WTO trade liberation

Response	Frequency	Percent
No response	9	27.28
Borrowing and proper counseling towards smooth operation	1	3.03
It produce, coordinate and provide them with education and source of more funds	4	12.12
Information and communication of policies on textile materials (to encourage export)	10	30.30
Advertisement of the product to outside market	1	3.03
Industry use it to take advantage in the markets	7	21.21
It enhance capacity of textiles	1	3.03
Total	33	100.00

Source: Researcher's Survey 2017

The result of the response rate from the respondents shows that 3.03% are of the opinion that the benefits could arise from borrowing and proper counseling towards smooth operation; secondly, 12.12% indicate that the benefits originates from production, coordination and provision of education and source of more funds by the WTO trade liberalization. Also, 30.30% of the respondents indicate that they benefit from information and communication of policies on textile materials i.e it can encourage export. On the other hand 3.03% of respondents reveal that they benefit from the advertisement of the product outside the market. Again the result of the findings show that 21.21% of Industry use the policies to take advantage in the market and finally 3.03% responded by saying they benefit because the policies are favourable where it enhances their capacity in textiles. In addition to some of the benefits, a respondent said:

> Any policy of government, there will be advantages and disadvantages. But nevertheless, there are certain countries that will have more advantages thanothers. The advantage is that we exhibit our products in other countries. But with the situation in Nigeria.

Another respondent said:

> Yes. As I said earlier, we are free to export our products. But if we do not have competitive advantage, there is no way we can export".
>
> "Take for instance, up till today, we have not been able to take advantage of AGOA, an opportunity that came as a result of WTO, just because our goods are not competitive. If you are exporting to US at the rate of 0% duty and China is exporting at 10% duty, our 0% cannot still be equated to their 10%. Theirs are still cheaper. The fact remains that our cost of production is very high. Like as I said, there is no electricity, so you need fuel to do business. You know the price of fuel rose up late last year. So there is no way we can produce and compete with other part of the world at that production cost. With the study we have done, Nigeria has the highest cost of production than every other country we can even talk about.

Another respondent who claimed anonymous gave his view regarding the benefits of WTO liberalization policy thus:

> Yes of course. You see, it will enable the producers of textile industry in the country to be able to produce a qualitative textile materials because for them to benefit they must produce quality goods, otherwise they will not withstand thecompetition. So if they are encouraged and they decide to take that challenge, to be able to produce highly qualitative materials, they will be able to take theirproduct to any part of the world that is the advantage. But if they are given free hand, they are not enforced to produce highly qualitative materials, they will doit anyhow, and their markets will be limited to the local market. So as a company, at least for them to benefit more, they supposed to have world market access so thatthey will be exporting and therefore realize more foreign exchange.

The tables and interviews above have shown that there are more disadvantages of liberalization policy on textile industries in Nigeria.

Table 5.10 revealed that 275 respondents representing 85.1% are of the opinion that the firms' survival is fair, seven respondents representing 2.14% of the response rate of the respondents reveal that the survival of the firms is tough and 13 respondents representing 3.98% are indifferent of the surviving condition of firms. However, the majority of the respondents said the firms' survival is fair but that mere survival is not good enough. This was supported by the in-depth interview which shows that the response rate was in line with the majority who said the firms' survival is fair. This is because these firms faced a number of competition with other industries in developed nations where most products are imported

into Nigeria. This can be seen in the interview conducted as follows from various respondents. Figure 5.10 presented the result on firm's survival in relation to influx of foreign firms into the textile market in Nigeria in percentages.

Table 5.10: Firms survival of the condition of massive influx of foreign firms into the textile market in Nigeria

Response	Frequency	Percent
No response	32	9.79
Fair	275	85.10
Tough	7	2.14
Indifferent	13	3.97
Total	327	100.0

Source: Researcher's Survey 2017

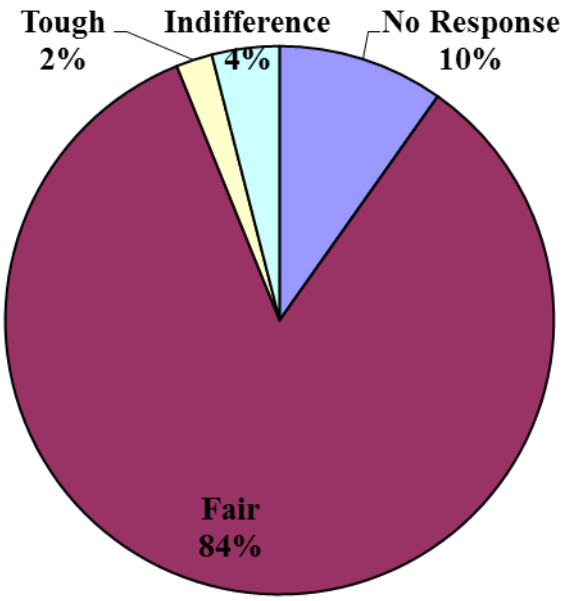


Figure 5.10.1: The Pie Chart Representing Responses on Firms Survival of the Condition of Massive Influx of Foreign Firms into the Textile Market in Nigeria in Percentages

Source: Field Report, 2017

The above table and chart are corroborated by the In-depth interview conducted which, according to a respondent who claimed anonymity said:

> Definitely they are not surviving. The textile industries in Nigeria even collapsed as a result of that liberalization because we are alreadystarting from a very weak base and the cost of differentials – which amalways hammering on, is high on our side. To be precise, if Nigeria will like to get it right, we have to find a way of producing our textile productsat a cheaper rate than it is being done now. You could see that most of the manufacturers have closed down because they cannot produce in this hard condition.

The above was given support by another respondent interviewed who said:

> Honestly, it is giving us a tough time. We don't have patronage now because of this influx of foreign goods so we are only surviving with the local customers or some African neighbouring countries who are comingfor our goods. Out of the 5 products, it is only one that is not beingimported.The average Nigerian low income earner believes in seeing flashy things at low cost. He doesn't care about the quality, he goes for that. TheChinese are good in sending flashy things at low cost because they have their own consistent government policy there and you can't change it. But here, every one month you see someone changing it. As I have told you, it is affecting us seriously. Because as I have toldyou before all we need in Nigeria we don't care about quality, just flashy goods at cheap prices.

Another respondent who shared similar view but pointed out that some internal factors are more than the international aspects as it affects textile industries in Nigeria said:

No...no.…no… I will not because the internal factors are more than the international aspects. Internal factors – I made mention of the influx of foreign goods which come at cheaper rate, and some people go to the extent of imitations and using our company logo and brand name to produce it from either China and bring it in, so that is why I feel that the internal factors are more than the international factors.

The findings from table5:11 below reveals there is a relationship between near collapse of Nigeria's textile industries and the liberalization policies. The response rate indicates that 247 respondents representing 75.53% are of the opinion indicated "yes". This implies that the near collapse of the textile industry is related to the liberalization policies. For instance, the liberalization policy encourages country to export as much as they can and import as little as they can. Behind this background countries tend to guard their domestic market jealously while aggressively seeking to access other markets in other countries). Secondly 67 respondents representing 20.49% are of the opinion that there is no relationship between the near collapse of Nigeria's textile industries and the liberalization policy. Although 5

respondents representing 1.53% are indifferent on the relationship of the near collapse of the textile industries in Nigeria and the liberalization policy. This result in table 5.11 was represented in figure 5.11 and 5.11.1 in their numbers and percentages as seen below.

Table 5.11: Respondents' view on whether the near collapse of Nigeria's textile industries is related to these liberalization policies

Response	Frequency	Percent
No response	8	2.45
Yes	247	75.53
No	67	20.49
Indifferent	5	1.53
Total	327	100.0

Source: Researcher's Survey 2017

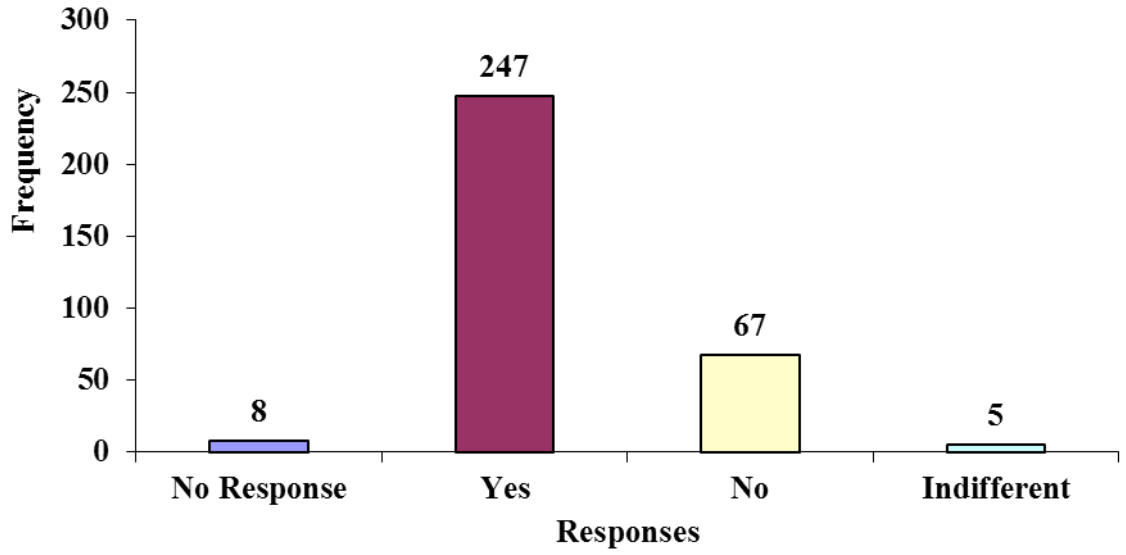


Figure 5.11: The Bar Chart on the Respondents' View on whether the near Collapse of Nigeria's Textile Industries is related to these Liberalization Policies in Number

Source: Field Report, 2017

The above table and charts are corroborated by the response drawn from In-depth interview. According to a respondent who claimed anonymous, he opined that:

> Yes you are right. In the textile market we have different cultures and different backgrounds. Western region have their own colour. Up north, they have theirs. Coming down to the East, they have their own. Some of us like going on English wear. Some can say ok, I bought this wrapper for N2000 and sow it for N3000 it is also N5000 in all. But one can buy a complete dress of English wear for just N2500. Though low patronage was part of it as well. Then when we are producing that high, the economy was booming. That was the era of Obasanjo back to Abacha and Babangida. Then most African countries were buying from us.

The response rates in the table 5.12 below show the responses on operation of the firms at a comparatively disadvantaged position. The findings revealed that 253 respondents representing 77.37% of the respondents indicated "yes" affirming that firms have a comparatively disadvantaged position in terms of its operation. Secondly, 57 of the respondents representing 17.43% of the respondents say "no" that firms operation is not at a comparatively disadvantaged position and lastly 7 respondents representing 2.14% are indifferent on the firms operation at a comparatively disadvantaged position. The implication is that the liberalization policy has not been able to stimulate Nigeria's textile industry ability improve on its performance via its operation so as to have a better output. The percentage of the respondents in table 5.12 are shown in figure 5.12 below.

Table 5.12: Firms operation is at a comparatively disadvantaged position

Response	Frequency	Percent
No response	10	3.06
Yes	253	77.37
No	57	17.43
Indifferent	7	2.14
Total	327	100.0

Source: Researcher's Survey 2017

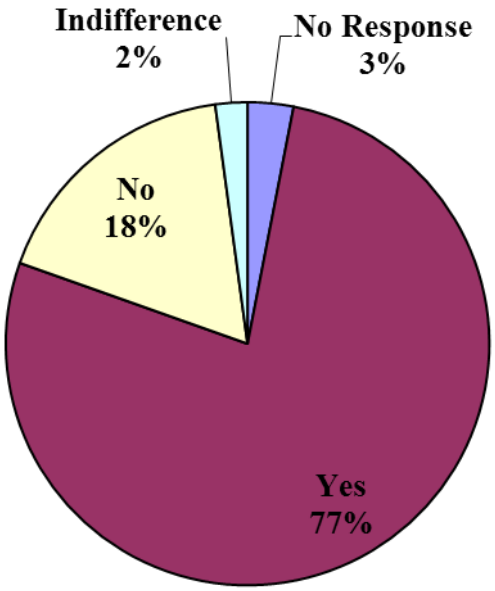


Figure 5.12.1:The Pie Chart Representing Responses that Firms Operation is at a comparatively disadvantaged position

Source: Field Report, 2017

The table 5.13 below revealed that 219 respondents representing 66.97% of the respondents understand the concept of Multi Fibre Agreement, 95 of the respondents representing 29.05% say they do not understand Multi Fibre Agreement and 10 respondents representing 3.06% are in different. We therefore conclude that majority of the respondents constituting 66.97% have an understanding of Multi Fibre Agreement. The results of the frequency and percent in table 5.13 are presented in figure 5.13 and 5.13.1 respectively.

Table 5.13: Understanding of Multi Fibre Agreement

Response	Frequency	Percent
No response	3	0.92
Yes	219	66.97
No	95	29.05
Indifferent	10	3.06
Total	327	100.0

Source: Researcher's Survey 2017

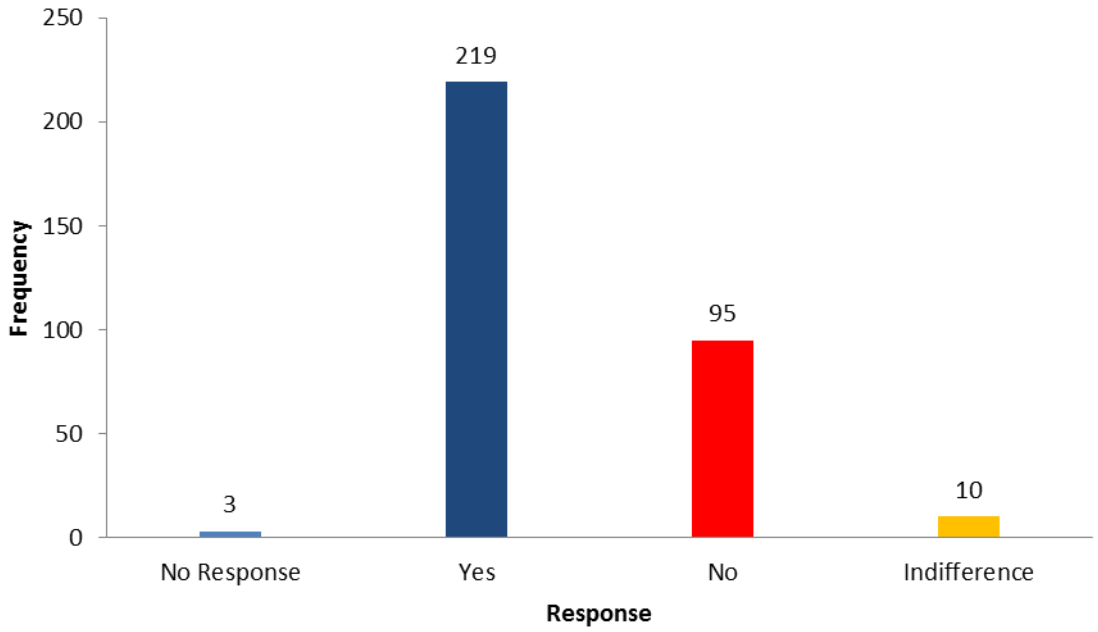


Figure 5.13: The Bar Chart Representing Respondent understanding of Multi Fibre Agreement in Numbers

Source: Field Report, 2017

For instance in the interview conducted a respondent said: "Multi Fibre agreement refers to formal quotas and restrictions that were allocated to developing countries including Nigeria not to exceed certain quantity of goods that could be exported to developed countries". Another responded interviewed also said:

> Multi Fibre Agreement is the formal quota allocated to other countries. It is a kind of formal arrangement between developing and developed countries in terms of the quantity of textile materials that they could be allowed to export and quantity they could be allowed to import.

Table 5.14 below reveals that 252 respondents representing 77.06% of the respondents said "yes" that when quotas are eliminated on exports and imports it will have an effect on textile industries. 61 respondents representing 18.65% are of the opinion that "no" elimination of quotas and restrictions on exports and imports will not affect textile industries in Nigeria and 11 of the respondents representing 3.36% are indifferent concerning the effects of the elimination of quotas and restrictions on exports and imports if it will affect or not textile

industries in Nigeria. The frequency and percent are presented in figure 5.14 and 5.14.1 respectively.

Table 5.14: Opinion of respondents if the elimination of quotas and restrictions on exports and imports affects textile industries in Nigeria

Response	Frequency	Percent
No response	3	0.93
Yes	252	77.06
No	61	18.65
Indifferent	11	3.36
Total	327	100.0

Source: Researcher's Survey 2017

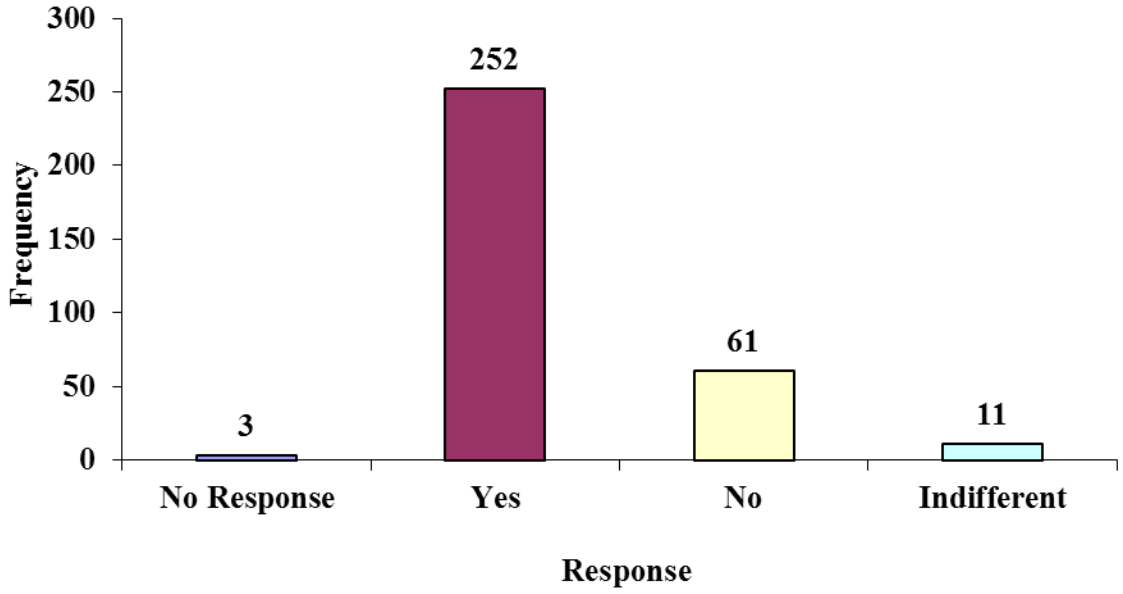


Figure 5.14:The Bar Chart On Opinion of Respondents on if the Elimination of Quotas and Restrictions on Exports and Imports Affects Textile Industries in Nigeria

Source: Field Report, 2017

The findings in table 5.15, figure 5.15 above has revealed responses on how the removal of Multi Fibre Agreement (MFA) has enabled textile mill to be operational at the maximum level. 36 respondents representing 11.01% indicated that textile mill was operating at the maximum level, 252 respondents representing 77.06% of the response rate revealed that due to the removal of the Multi Fibre Agreement (MFA), their textile mills were not operating at the maximum level and 17 respondents representing 5.20% were indifferent as regards to the maximum operation of the textile mills.

Table 5.15: Respondents' view if the removal of MFA has enabled your textile mill to be operational at the maximum level

Response	Frequency	Percent
No response	22	6.73
Yes	36	11.01
No	252	77.06
Indifferent	17	5.20
Total	327	100.0

Source: Researcher's Survey 2017

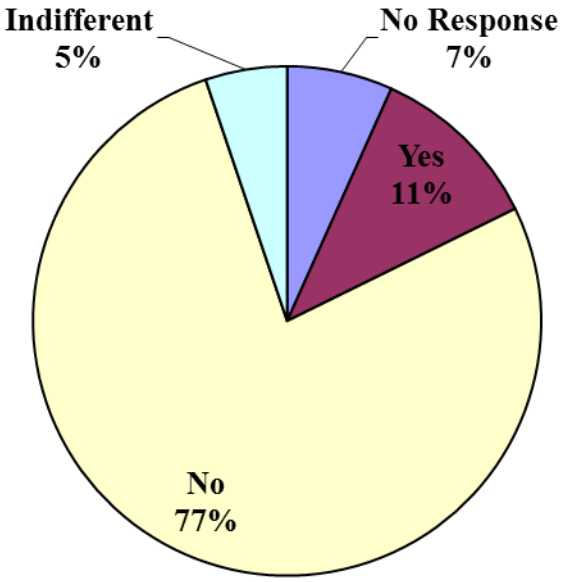


Figure 5.15.1 and the Pie Chart Representing the Respondents' View on if the Removal of MFA has Enabled Your Textile Mill to be Operational at the Maximum Level

Source: Field Report, 2017

In furtherance, reasons for the removal could be attributed to some reasons as advanced by some of respondents who were interviewed. The respondents said, "Yes… it created room for people going out and bringing into the country a lot of substandard products". The result in the chart and figure above was corroborated by anonymous interviewed who claimed that:

> Yes we have a lot of challenges that made the company now to stop the production of our major brand name that is a hot cake in the market. We call it standard wax. We stopped the production because it is capital intensive. We have to face fancy prints now which just a one sided print". So we are threatened because we cannot compete. Our products are of high price. The only thing helping us is that Nigerians are now beginning to know the difference. Quality wise, our own is ok. Coming from China once you wash it once, it is off. You can't wear it again. So some of the consumers are beginning to know the difference. But the Chinese keep on copying our design. Any design we launch today, before you know it, they have copied it and filled the market.

The findings in table 5.16 showed that 144 respondents representing 45.04% of the respondents are of the opinion that the firm was better off during the Multi Fibre Agreement (MFA) period, while 136 respondents representing 41.59% indicated that the firm was not better off during the MFA period while 35 respondents representing 10.70% were indifferent if the firms were better off or not during the MFA period. From the response rate, the empirical result show that majority of the respondents who constitute 45.04% are of the opinion that the firms were better off during the MFA period. Figure 5.16 and 5.16.1 indicated the respondents by frequency and percent in table 5.16 respectively.

Table 5.16: The firm (mill) is better off during the Multi Fibre Agreement (MFA) period

Response	Frequency	Percent
No response	12	3.67
Yes	144	45.04
No	136	41.59
Indifferent	35	10.70

Total	327	100.0

Source: Researcher's Survey 2017

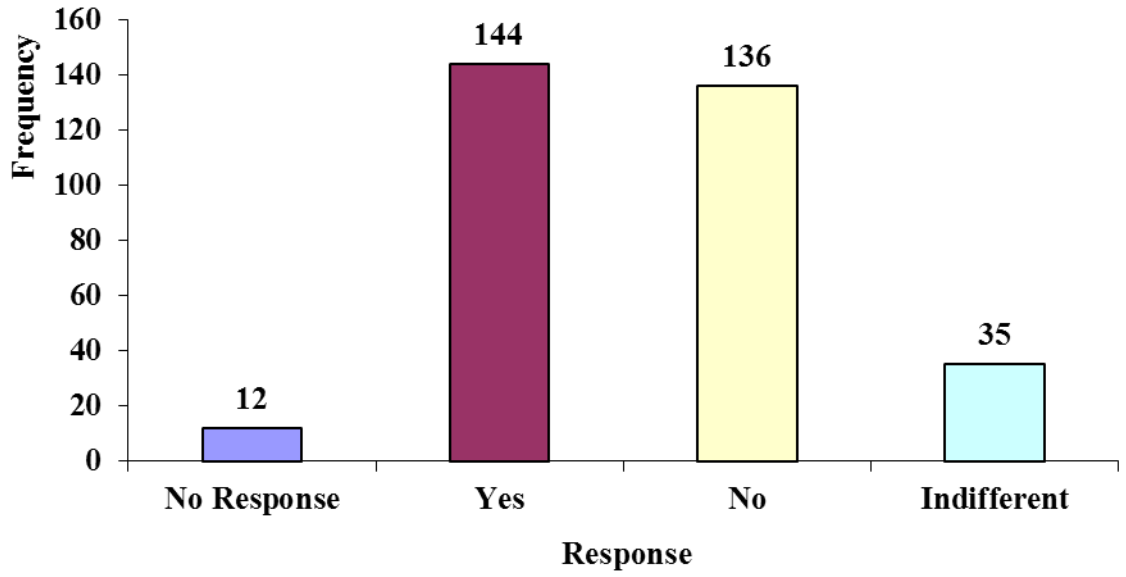


Figure 5.16: The Bar Chart Representing Whether the firm (mill) is better off during the Multi Fibre Agreement (MFA) period

Source: Field Report, 2017

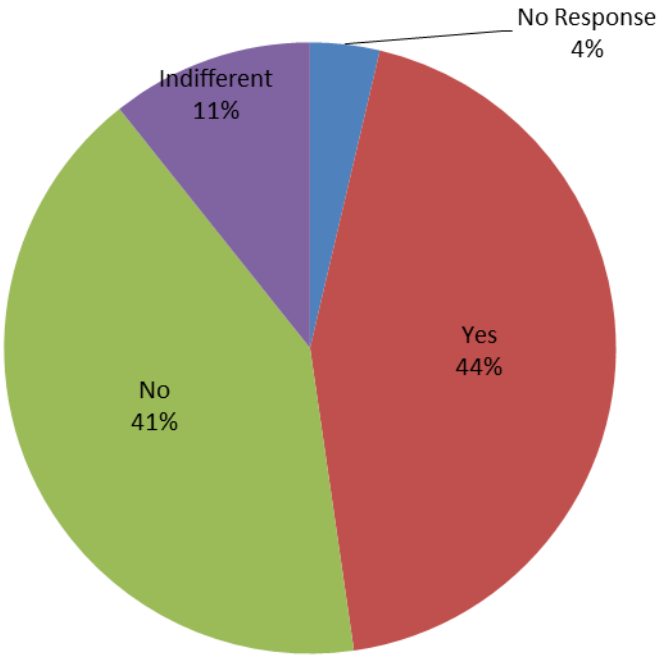


Figure 5.16.1: The Pie Chart Representing Whether the firm (mill) is better off during the Multi Fibre Agreement (MFA) period

Source: Field Report, 2017

The interview conducted showed the view of what a respondent said:

> First, did it actually encourage/inhibits our textile industry as at then, because countries as at then supposed to be exporting their products to other countries as at time including Nigeria, those exports, might have positively or negatively affected our textile industries. Even here you need some inputs to key it into our products so did MFA contribute/ or help to contribute the required inputs or materials that were needed in our textile industry since we have textile industry boom in the 1980s? People tend to look at it from one perspective. No – the practitioners could help us to know if what they were experiencing then is better than now in terms of the exports and imports.

Another respondent said that:

> As to the effect of MFA in the textile, I think that it might have contributed to Nigeria accessing textile products from countries at a cheaper and more affordable rate, that one can have some cost implication if the products are coming at cheaper rates, people will tend to patronize them. And that will indirectly or even directly affect our own local production, because when you have imports that are cheaper and of superior quality, the tendency is for people to go for that product rather than expensive substandard products our own industries will produce. I am not saying that it is what is, but I am saying it might be a possibility. Products from China, Bangladesh, the condition of production in those countries are better than what we have here. Based on their economies of scale, they can always mass produce for exports that will have effect on our own industries.

This data is similar to the work of Cable (2006), who opined that many developing countries benefitted from the MFA because they could take advantage of higher prices in restricted importing countries while quotas were not really binding their exports. It is also similar to the work of Hammond and Well (2002), where they also posited that multi-fibre existence did encourage the entrance of several developing countries into the export of textiles and clothing that otherwise would not have been involved.

There is also a divergent view especially in the work of Vlok (2006) who estimated that the extent of reductions in the exports of developing nations was a result of the multi-fibre agreement.

Table 5.17: Respondents views on the areas in which textile firms were better off during the MFA period

Views	Frequency	Percent
No response	47	32.64
It encouraged patronage of domestic product by customers (this is because there is availability of electricity NEPA)	9	6.25
Low import(leading to small amount of foreign materials)	27	18.75
Foreign importation(Chinese product not as many as now)	13	9.03
government levies was too small(presence of good government policies leading to good economy)	5	3.47
Scarcity of foreign materials which brought quick sales of our products	3	2.08
90% of the product was domestic and local production was high	4	2.78
Output was better and enough(it was easy to employ and it encouraged employment)	18	12.50
Adequate security	5	3.47
Monopoly	5	3.47
Availability of raw materials	4	2.78
No smuggling	3	2.08
Presence of competition	1	0.70
Total	144	100.00

Source: Researcher's Survey 2017

From the table above 6.25% of the respondents said during the MFA period, the period encouraged patronage of domestic products by customers. This is because electricity was available.

Secondly, 18.75% said during this period there was low import and so there were small amount of foreign materials; Also the response rate indicated 9.03% said that foreign importation of Chinese materials was very low; 3.47% were of the view that government levies was very low small and presence of good government policies which led to good economic growth; Also 2.08% of the response rate said the period was characterized by scarcity of foreign materials, thereby encouraging quick sales of our domestic products; From

the response rate of the respondents, 2.78% indicated that during this period 90% of the product was domestic and local production was high; 12.50% said output during this period was better and enough, this made it easy to encourage employment and job creation; 3.47% of the respondents said there was adequate security during the MFA period; 2.78% were of the view that during the MFA period, raw materials were available; while 2.08% responded by saying that there was no smuggling, and lastly 0.70% said there was presence of competition.

Table 5.18: Level of capacity utilization of your mill during the post MFA period

Response	Frequency	Percent
No response	110	33.64
60% capacity	20	6.12
100% (Full capacity)	63	19.27
Satisfactory	14	5.28
70% capacity	10	3.05
90% capacity	27	8.25
99% capacity	16	5.89
85% capacity	9	2.75
93% capacity	8	2.45
50% capacity	4	1.22
65% capacity	13	3.98
80% capacity	22	6.73
Good	7	2.14
87% capacity	1	0.31
95% capacity	3	0.92
Total	327	100.0

Source: Researcher's Survey 2017

From the data in the table 5.18 above, the respondents reveal the level of capacity utilization of mill during the post MFA period. The findings show that during this period 6.12% said there was 60% capacity utilization of mills, 19.27% of the respondents reveal that there is 100% capacity utilization of mills, 5.28% indicated that the capacity utilization mills is satisfactory, 3.05% are of the opinion that there is 70% capacity utilization. Although 8.25%

of the respondents reveal that that there is 90% capacity utilization of firms during the MFA period.

The findings also show that 5.89%, 2.75%, 2.45%, 1.22%, 3.98%, 6.73%, 2.14%, 0.31%, and 0.92% that there is 99%, 85, 93%, 50%, 65%, 80%, good utilization, 87% and 95% respectively of capacity utilization of the firms in the post MFA period.

This data was given credence by a respondent interviewed who stated that:

> When we started, we started operation with 80% - 70% capacity utilization that's like year 2006. We bought it over from Nigerian Textile Limited (NTL). You know it was an old factory. The company was bought from ACAD Group. Thenwe got it from ACAD Group. And since then we have been using it. As at thattime, when we wanted to take over, it was around 80 – 70%. But we have dilapidated machines, so by year 2010, we collected loan from Bank of Industry (BOI) to purchase additional machines and additional working capital. And sincethen, because of the market factors and insecurity in Nigeria, we started danglingbetween 40 – 50% now. That is the range. Those dilapidated machines were changed. As you entered here (company) didn't you see new machines? Those machines were installed since 60s, so they are already outdated comparatively to modern machines in developed countries. No...no… no…. now I think we are operating at 60% capacity utilization now".

The data in table 5.19 revealed that 76 respondents representing 23.25% indicate that there was a positive impact of the phase-out of MFA on their textile industry, while 243 respondents

representing 75.31% reveal that there was negative impact. Although the result is clear that the textile industry has benefitted from the MFA that is- the phasing out of the MFA agreement has impacted negatively on the textile industries. It could be viewed that the MFA agreement protected the textile industry to a greater extent. The frequency and percent in table 5.19 are also presented in figure 5.19 and 5.19.1 below respectively.

Table 5.19: Impact of the phase-out of the Multi Fibre Agreement (MFA) on your textile industry

Response	Frequency	Percent
No response	8	2.45
Positive	76	23.24

Negative	243	75.31
Total	327	100.0

Source: Researcher's Survey 2017

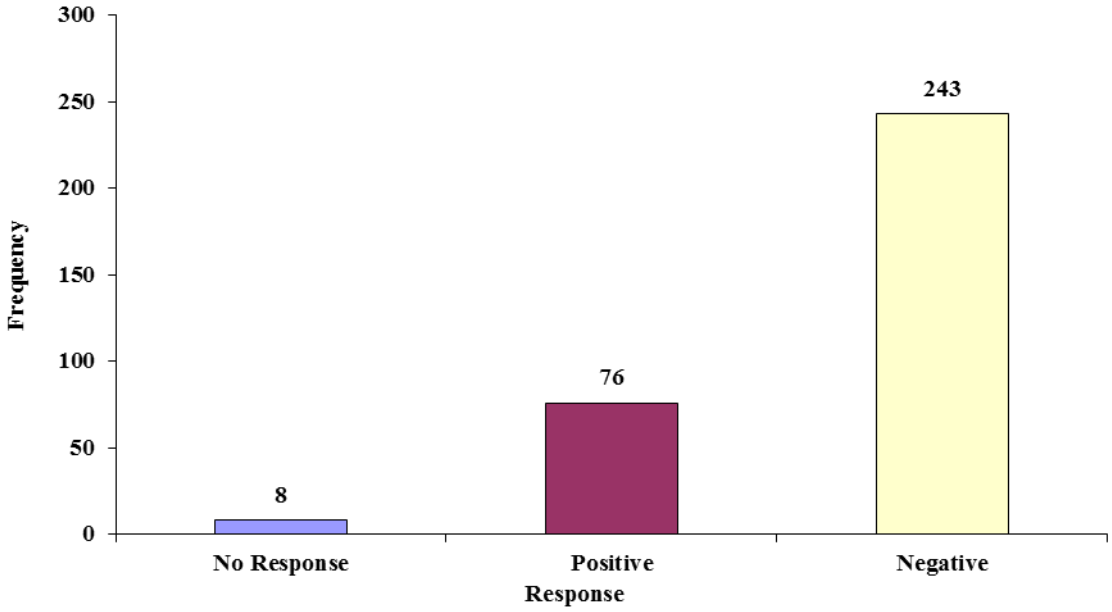


Figure 5.19: The Bar Chart Representing the: Impact of the phase-out of the Multi Fibre Agreement (MFA) on your textile industry
Source: Field Report, 2017

In a similar response, another respondent who claimed anonymous reiterated that: "As I have told you, it is affecting us seriously. Because as I have told you before all we need in Nigeria we don't care about quality, just flashy goods at cheap prices". Another respondent interviewed said:

> It has really affected us because we have not been getting good patronage the way we had been having before and if you go and weigh our own products and Chinese own, our own is heavier than their own. But the shinny aspect is what they want most. That is why even ourpeople there that are always buyingthe product, they are always weighing 50 –50 for that. Because they want to do turn over in time so, they go and buy those Chinese products. The person thatnormally buys 50 bales before will end uphaving 20 or 30 bails now because hewill go for Chinese products which theaverage village man will come and saythis is what he wants.

The above data on the table and figure was given credence by the work of Baden and Joekes (2006), who argued that although the phasing out of the multi-fibre brought to an end any form of restrictions and protectionism in the textile industries but it resulted to many problems for third world textile sectors to adjust. The end of protectionism and trade restrictions justifies the theoretical postulations of neoliberalism which emphasizes the removal of barriers and tariff to promote trade. This is because Nigeria is endowed with high cotton production thereby having the ability to produce textile materials yet she imports foreign textile materials.

Brenton and Ikezuki (2005) who studied quota phase-out analyzed historical MFA quota growth in EC and the US and hence concluded that post quota growth is a key input for an agreement on any phase-out scenario based on transitionary quotas. It also depicted a phase-out within the framework of the MFA which relied on accelerated quota growth based on historical record.

In similar vein, Brenton and Ikezuki (2005) also studied a phase-out based on global quotas along the lines of the US proposals. They investigated the immediate consequences of this shift by applying it to the US market. The study found that quota growth rates were closely and inversely related to quota levels and the performance of the exporters in filling them.

There is also a divergent view similar to the study of Yang and Zhong (1998). They examined the prospects for China's textile and clothing exports after phasing out of MFA. The study found out that MFA did not stop China from utilizing its comparative advantage. China's diversification and upgrading would give South Asia and low-cost ASEAN economies greater opportunities for export promotion. Also the work of Khanna (2000) examined the impact of MFA phase-out on Indian garment export sector. The study found that India was the 8th largest supplier of textile & clothing to USA in 1998.

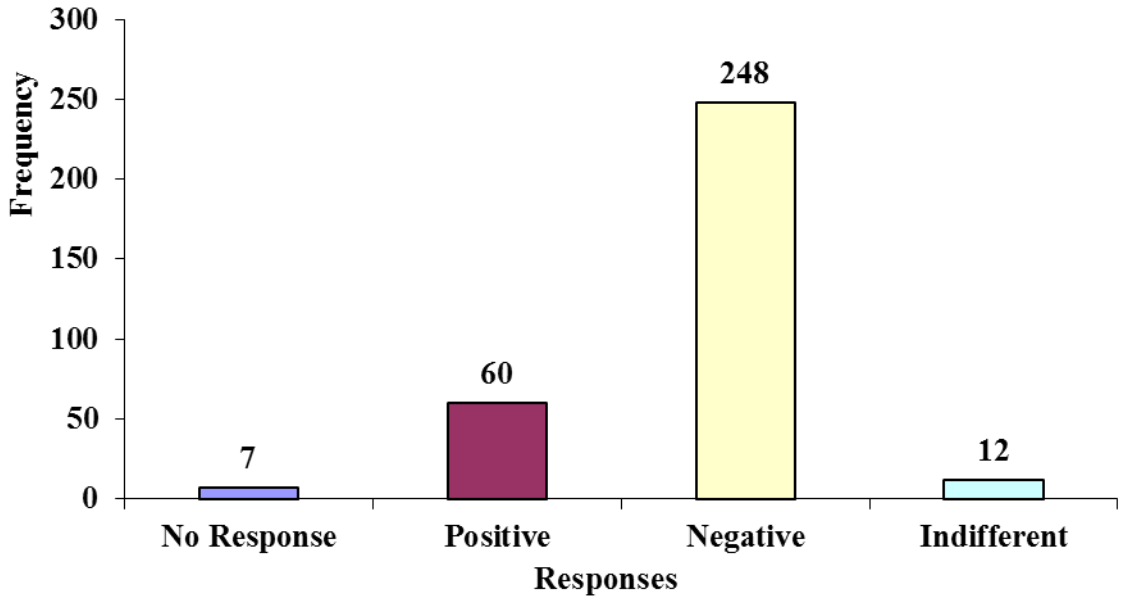
From the table 5.20 below, 60 respondents' representing18.35% said the elimination of multi fibre agreement has positively affected Tofa textile industry with 248 respondents representing 75.84% asserting that the elimination of the multi fibre agreements has negatively affected Tofa textile industry, Kano and 12 respondents representing 3.67% are indifferent. We can deduce from the table that Tofa Textile industry is negatively affected by the elimination of multi fibre agreements on textile industries since majority of the respondents agree to that. The frequency and percent responses of table 5.20 are presented in figure 5.20 and 5.20.1 respectively.

Table 5.20: Impact of the elimination of Multi Fibre Agreements on Tofa textile industry

Response	Frequency	Percent
No response	6	2.14
Positive	60	18.35
Negative	248	75.84
Indifferent	12	3.67
Total	327	100.0

Source: Researcher's Survey 2017

This table is represented in Figure 5.20:



Source: Field Report, 2017

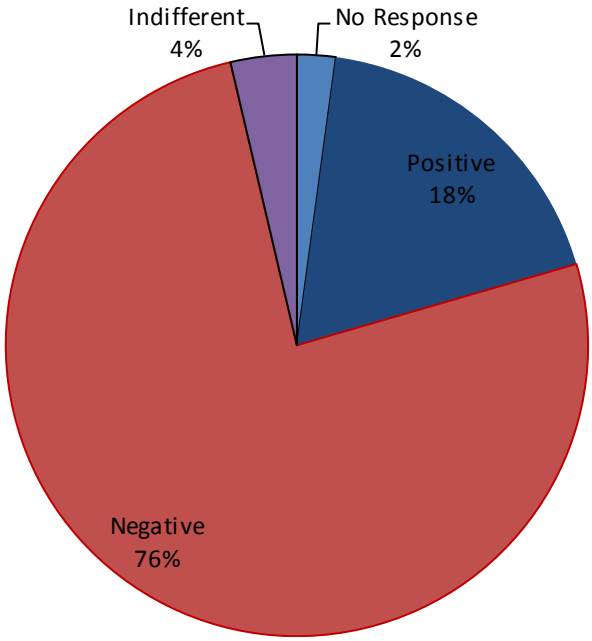


Figure 5.20.1: The Pie Chart Representing the Impact of the Elimination of Multi Fibre Agreements on the Textile Industries in Nigeria

Source: Field Report, 2017

Another respondent in Tofa textile industry gave credence to this claim that "As I have said it enabled influx of cheap foreign materials into the economy".

Another respondent also said:

A). The foreign goods are cheaper than the foreign goods cheaper than what we are producing here. So nobody will buy what we are producing here. Federal government doesn't use to buy from us again due to availability of foreign goods.

Another respondent indicated that

B). You see the importation of the finished goods into Nigeria which is coming through smuggling is killing the Nigerian industries. Number 1 - we have good quality products here. But because of high cost of production, the prizes even exceed those of the imported goods, which a mere normal man, when he raises China goods it is not as coordinated as our own. They finish and lower down the prize because of the smuggling aspect. So they will leave the local goods and take the smuggled one. The influx of the foreign goods are really disturbing our market.

Another respondent said,

C). This MFA is still part of what we are saying. I think you get me? These agreements you are saying theoretically are there. But practically are theyworkable? The impact is negative. It has not impacted positively on textile industries. Intend it has wipedout the industry. I cannot give you specific answer. But let me give you from perspective of membership. Before that agreement, we have up to 300,000 membersall over Nigeria. Kano we have up to 25 textile industry, now you hardly see good 5. Now our membership is less than 20,000. Can you see the picture? Job lost and death of industry".

The empirical findings from the analysis is in line with work of Baden and Joekes (2006), they argued that although the phasing out of the multi-fibre brought to an end any form of restrictions and protectionism in the textile industries but it resulted to many problems for third world textile section to adjust. It can also be deduced from the above analysis that the responses gotten is not in line with the theory of comparative advantage. This is because Nigeria is endowed with high cotton production thereby having the ability to produce textile materials yet she imports foreign textile materials.

The findings of the result in table 5.21 revealed that 246 respondents representing 75.23% strongly agreed that the MFA quota removal has given China a global supremacy and dominance over textile production and imports across the world. Secondly, 69 respondents representing 21.10% strongly disagreed and lastly 45 respondents representing 1.53% are indifferent. This invariably implies that lack of proper functioning of the Nigerian textile industries is attributed to the availability of Chinese textile materials in the Nigerian market, since majority of the respondents subscribed to that. The frequency and percent of table 5.21 are presented in figure 5.21 and 5.21.1 respectively.

Table 5.21: Effects of the MFA quota removal on Chinese textile industries

Response	Frequency	Percent
No response	7	2.14
Strongly agreed	246	75.23
Strongly disagreed	69	21.10
Indifferent	45	1.53
Total	327	100.0

Source: Researcher's Survey 2017

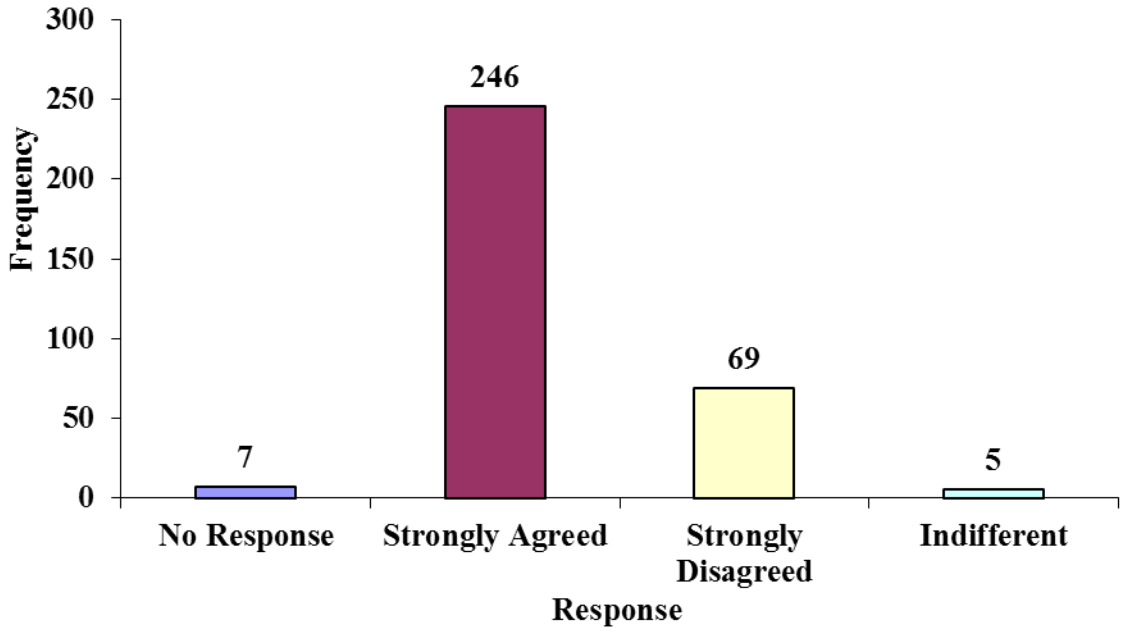


Figure 5.21: Effects of the MFA quota removal on Chinese textile industries

Source: Field Report, 2017

A respondent interviewed said:

A). As I said, it enabled influx of cheap foreign materials into the country.The foreign goods are cheaper than what we are producing here. So nobody will buy what we are producing here. Federal government doesn't use to buy from us again due to availability of foreign goods.

From the analysis, it can be deduced that the MFA quota removal opened the economy to shocks leading to dominance of foreign cheap products especially that of the Chinese. The empirical findings is similar to Glaeser, PortaDesilane and Shleifer (2006) and also the empirical work of Balassa and Constaine (2005). They argued that the expiration of the multi-fibre agreement had led to the closure of several factories in Africa and with job losses. The findings is also similar to Kamau (2005) who assessed the impact of MFA phase-out on small garment producing economy in Kenya. The study found that gains from elimination of quotas in garment trade would accrue mainly to large Asian producers that were better positioned in the value chain. Kenyan garment firms operated at lower end of the value chain as they mainly undertook 'assembly' work.

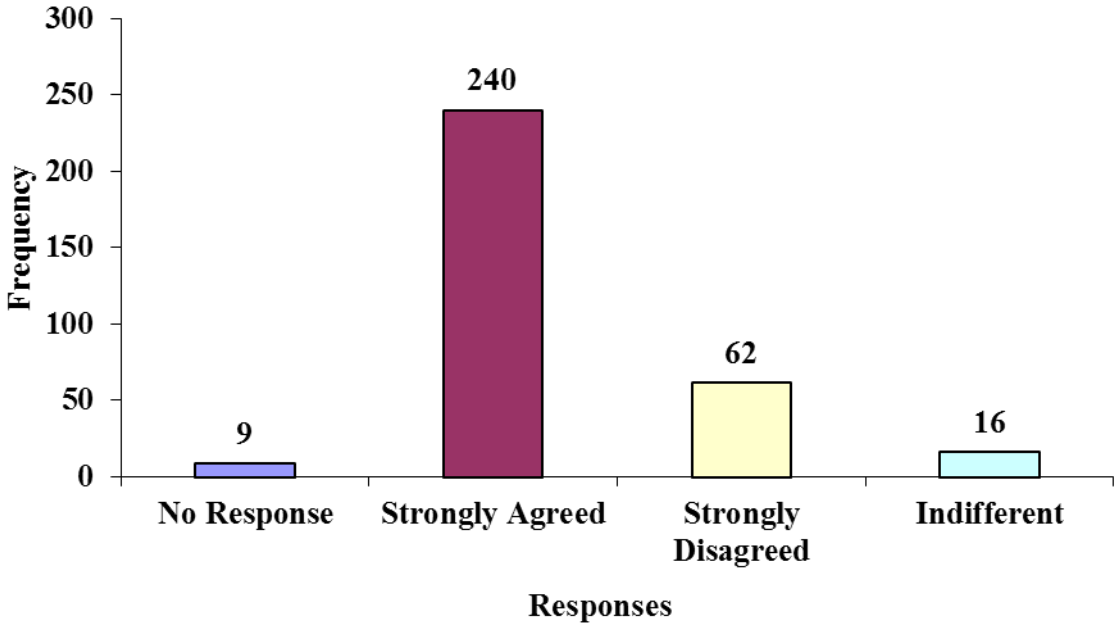
From the table 5.22 below, the findings revealed that 240 respondents representing 73.40% indicated Strongly Agreed and are of the view that the phasing out of MFA provided greater opportunity for Chinese textile industries an inroad into Nigeria's textile markets. Again 62 respondents representing 18.96% strongly disagreed and 16 respondents representing 5.89% are indifferent. It can be concluded that the phase out of the multi fibre agreement has negative consequences which affected the textile industries by allowing Chinese textile products into Nigeria's textile markets. The results in table 5.22 are presented in figure 5.22 and 5.22.1 respectively.

Table 5.22: Various view showing that phasing out of MFA provided greater opportunity for Chinese textile industries into Nigeria's markets

Response	Frequency	Percent
No response	9	2.75
Strongly agreed	240	73.40
Strongly disagreed	62	18.96
Indifferent	16	5.89
Total	327	100.00

Source: Researcher's Survey 2017

Figure 5.22: A Bar Chart for Various view showing that phasing out of MFA provided greater opportunity for Chinese textile industries into Nigeria's markets



Source: Field Report, 2017

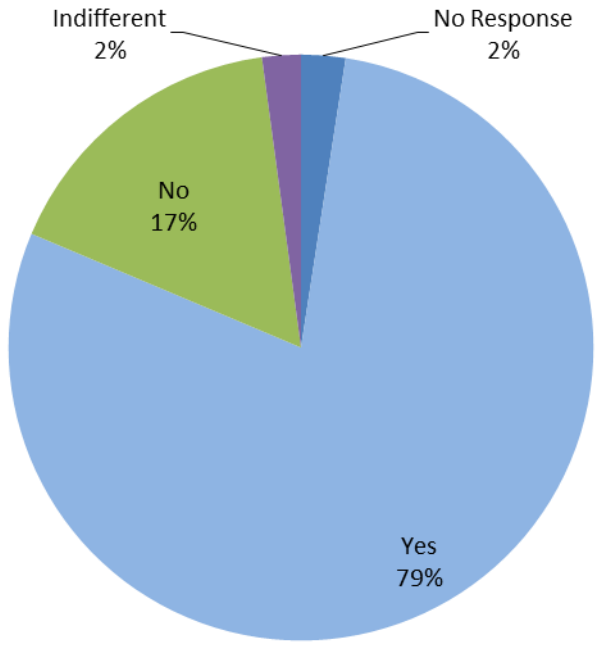
The result of the findings in table 5.23 showed that 258 respondents representing 78.90% say "yes" the dominance of Chinese textiles products in Nigeria's market as a result of elimination of the MFA has affected textile industries in Nigeria. Secondly 54 respondents representing 16.51% said it does not affect textile industries in Nigeria while 7 respondents representing 2.14% are indifferent. The frequency and percent responses in table 5.23 are presented in figure 5.23 and 5.23.1 respectively.

Table 5.23: Effects of the dominance of Chinese textile products on textile industries in Nigeria.

Response	Frequency	Percent
No response	8	2.45
Yes	258	78.90
No	54	16.51
Indifferent	7	2.14
Total	327	100.00

Source: Researcher's Survey 2017

Figure 5.23.1: Effects of the dominance of Chinese textile products on textile industries in Nigeria.



Source: Field Report, 2017

A respondent who claimed anonymous said:

A). This MFA is still part of what we are saying. I think you get me? Theseagreements you are saying theoretically are there. But practically are theyworkable? The impact is negative. It has not impacted positively on textile industries. Instead it has wiped out the industry. I cannot give you specific answer. But let me give you from perspectiveof membership. Before that agreement, we have up to 300,000 members all over Nigeria. Kano we have up to 25 textile industries, now you hardly can see good 5. Now our membership is less than 20,000. Can you see the picture?

This position was corroborated by another respondent who opined that:

B). Because at this moment, what has affected many textile industries is because there is no regulation from the government. All sort of textile materials from foreign countries have flooded the market. Thereby countries breathe to the existence of the local industries we are having. Of course it is one of the major challenges.Even the local industries are not having upper hand to export their product. Of course it is when you are producing you can say ok I will compete. And the policies of governmentare not favouring the local industries at all and that is a major challenge, and the government is not doing anything.

A respondent in his view said:

C). I use to say that this WTO is a Western concept capitalized on by these Asians. They used their entire legal vacuum to flood thewhole world with their textile materials. And that is what I am telling you. Kanti kwari market alone is flooded. No.... not even threatened. It has killed them.

The observations made by these respondents are indication that the expiration of MFA gave Chinese textile industries opportunity to take over and dominate Nigerian market with their products thereby affecting negatively textile industries in Nigeria.

The responses in table 5.24 revealed 248 respondents representing 75.84% said yes, influx of cheap Chinese textile products in Nigeria's markets have affected textile industries in Nigeria, 67 respondents representing 20.49% said no the influx of cheap Chinese textile products have not affected textile industries in Nigeria while 2 respondents representing 0.61% are indifferent. The results in number and percent are presented in figure 5.24 and 5.24.1 respectively.

Table 5.24: The influx of cheap Chinese textile products in Nigeria's markets has affected textile industries in Nigeria

Response	Frequency	Percent
No response	10	3.06
Yes	248	75.84
No	67	20.49
Indifferent	2	0.61
Total	327	100.00

Source: Researcher's Survey 2017

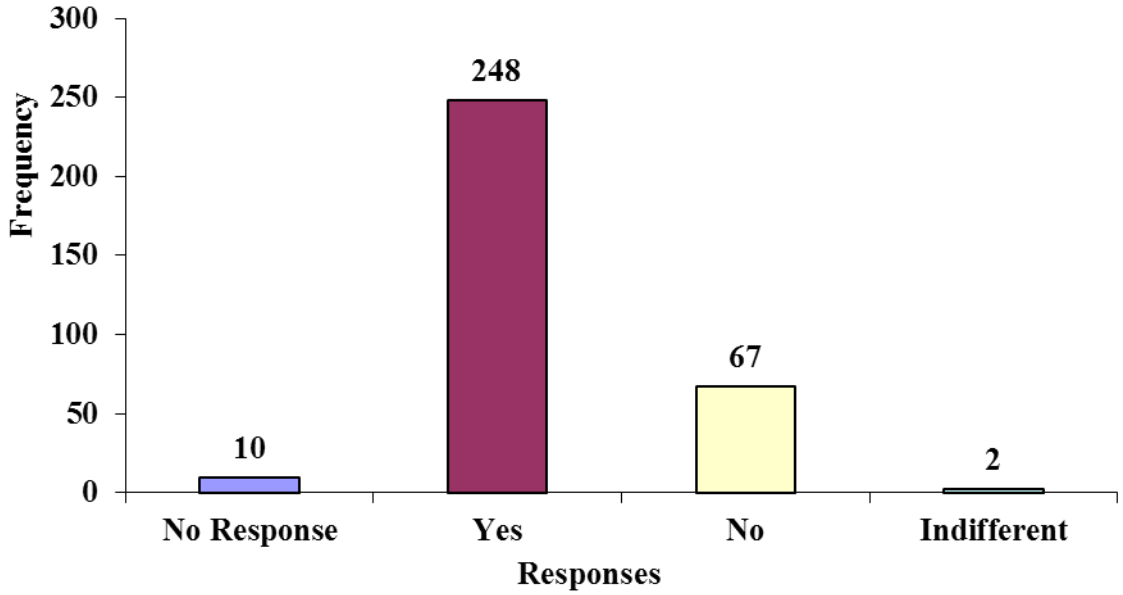


Figure 5.24: The Bar Chart Representing Whether the influx of cheap Chinese textile products in Nigeria's markets has affected textile industries in Nigeria

Source: Field Report, 2017

Table 5.25: Challenges facing textile industries in Nigeria

Challenges	Frequency	Percent
No response	7	2.14
Inadequate electricity	118	36.09
Lack of patronage of local goods (smuggling of Chinese textile materials)	31	9.48
High cost of transportation	1	0.31
Bureaucratic bottle necks	1	0.31
Importation affected by high dollar price/increase in high purchase of foreign materials	79	25.16
Financial constraint has become a problem	18	5.50
Bad government policies/negligence of government	36	11.00
Lack of domestic textile materials/raw materials	16	5.89
Problem of insecurity	5	1.53
Bad activities of Customs	3	0.92
Poor/lack of infrastructure such as use of outdated machines in the industry for production	12	3.67
Total	327	100.00

Source: Researcher's Survey 2017

Table 5.25 above reveals the response rate of the respondents as regards to the challenges faced by textile industries in Nigeria. The response rate show that 36.09% of the respondents are of the opinion that inadequate electricity supply is a major challenge constraining the effective functioning of the textile industries. 9.48% of the respondents reveal that lack of patronage of local goods, because there is high rate of smuggling of Chinese materials, 0.31% have indicated that high cost of transportation is a challenge. In addition to some of the challenges, the findings gathered also shows that 0.31% of the respondents said bureaucratic bottle necks was a challenge, 25.16% also said that importation, increase in high purchase of foreign materials. Some of the respondents also said that 5.50%, 11.00%, 5.89%, 1.53%, 0.92% and 3.67% reveal that financial constraint has become a challenge, bad government policies/negligence of government, lack of domestic textile materials/raw materials, problem of insecurity, bad activities of customs officials and lack of infrastructure such use of machines that are not up to date in the industry for production respectively.

A look at the challenges identified by the respondents reveals it is not the external factors as a result of trade liberalization that posed considerable challenges but internal factors which gave China and other countries the dominance of Nigerian market. This was supported by another respondent who observed that:

A). First, we look at government policies. We look at issue of smuggling. Most of the people that are smuggling goods into the country are government officials. Only few are genuine business men. When government gives a contract for certain production, you will see some government officials taking it outside Nigeria. Instead of them to do it here at home, they prefer to import rather than manufacture it here. We also talk about the chemicals which are imported at high rate of custom duty. It also affected d industry.The loan given to the industries have high rate of interest. To pay at times becomes a problem.Basic necessities like water supply which are heavily consumed are lacking; Government non-support to farmers in the production of cotton.

Another problem is this issue of dollar. “In the sense that before, when we placed order for goods outside the country, we used to get dollar at the rate of N205, but now, dollar is more

than N300. For instance, we ordered yarn from China. In free and fair intervention, I mean to reduce the bureaucracy in the intervention. That is what I mean". Power, infrastructure and these are some of these things that will reduce the challenges generally and to Tofa industry in particular, our dear need now is 3 – 4 things:- reduction in the cost of raw material and availability; improve in power"

Another respondent gave his own view concerning the challenges and he said,

B). Lack of basic infrastructure; "Multiple taxations inform of levies from virtually, all the agencies from federal, state to the local government. Let me make a practical example. One of the governmental agencies that have sort of co-related area of operation with the environmental agencies, their work is overlapping because Lagos state supposed to be our direct monitoring state. But the federal agency will also bill us huge amount of money for submitting of report. Lagos state will bill you again for submitting of report. Chemical storage, you will pay, apart from NAFDAC approval".

In addition to the above is the problem of many charges, they are weighing down the textile industries despite that the market is no more there. This respondent added that:

C). Since one or two months, things are very bad, people prefer to use the little money they have for their food. It is when you feed well that you think of clothes whether you will buy new cloth or not. The basic essentials we know are food, housing and clothing, but you know that, the clothing aspect is a distant to other first and second aspect. Food first, housing second and clothing third, people don't talk about new cloth nowadays. They talk about food. My brother, if you go to the market, you will see that Nigerians are really suffering because of the hike in the prices of food commodities. So it is when you have enough that you can think of buying clothes. Smuggling of goods from borders, have overwhelmed us in all aspect.

Table 5.26: Suggest possible ways these challenges can be addressed

Suggestion	Frequency	Percent
No response	5	1.53
Provision of adequate security	123	37.61
Patronage of local goods (monitoring of smuggling)	31	9.48
High cost of transportation	1	0.31
There should quick and speedy government activities to revamp the economy	1	0.31
Suspension of importation	78	23.85
Provision of more capital to improve and increase output in the economy	17	5.20
There should be favourable and good government policies and government support	34	10.40
The need to make available textile goods and raw materials available in the economy	16	5.89
Provision of adequate security	5	1.53
Prevent bad activities of customs (i.e smuggling)	3	0.92
provision of adequate infrastructure (i.e use of updated machines)	13	3.97
Total	327	100.00

Source: Researcher's Survey 2017

From the above table the data reveals that the response rate of the respondents suggesting possible ways the challenges encountered can be resolved. The data generated shows that 37.61% of the respondents suggest that there is need for the provision of adequate security, 9.48% of the respondents suggest that the need for patronage of local domestic goods, for example the need to monitor and prevent smuggled goods. On the other hand, 0.31% of the respondents opined that there is need to reduce high cost of transport, 0.31% indicated that there should be quick and speedy government activities to revamp the economy. Some responded, which represented 23.85% total sampled suggested that importation should be suspended, 5.20% also suggested the need for the provision of more capital to improve and increase domestic output in the economy, 10.40% of the respondents suggested that there should be favourable and good government policies and government support. Although 5.89% of the respondents opined that there is need to make available textile goods and raw materials in the economy. 1.53.%, 0.92% and 3.97% suggested the need for provision of

adequate security (to merge with 37.61%), prevention of bad activities of customs and provision of adequate infrastructure i.e use of updated machines.

In providing solution to the challenges, a respondent interviewed observed that:

A). We try to make sure that the cost of production is kept low, be it our tax rate, energy cost, our infrastructure expenditure. For example now – iftrain was available for me to carry my containers to Lagos, it will probably cost me less than when I carry it by truck, but where is the rail? It is not there. I will advise the government to give us 100% support. And we the manufacturers, if government supports us, Let us also make good use of that opportunity to move the industry forward. Because just as in government, corruption is also found in the factories today especially on issues of procurement of spare-parts where the costs of spare-parts procurements are often inflated by desk officers and this contributed to the downfall of theindustry. Some will even go and buy low quality materials in order to gain something for selfish ends. The Nigerian attitude syndrome also contributes. My advice is: Let us be faithful in what we are doing".

He further added that when Dangote wanted to build the sugar company in Lagos, one man fromKogi just simply went through the manual and installed the whole machines without foreign experts coming in. That is why I said we can doeverything here in Nigeria. We can even reconstruct our own apart fromthe spare parts".

Another respondent enumerated the challenges thus: Number 1 – Consistent policy. That is to look at and reduce the influx of foreign goods to the market. Increase security, then patronage from government, and easy flow of foreign exchange for all importation of raw materials. Increasing government intervention, that is free and fair.

Another respondent in the same view said,

B). Consistency in government policies, improvement in Nigerian economy. Then, Nigeria should look inward in terms of textile consumption. Not everything should be from abroad.The cotton industry – cotton is very expensive now. The farmers should be encouraged to grow much seeds so that the price will come down. But the government should guarantee that whatever they produce and put in the market should be consumed. The cotton farmers even prefer to export now because they get more profits.

A respondent in his view said,

C). Now we pray that God can restore Nigeria. If there will be electricity in Nigeria, nobody will be rushing to China to produce anything because we equally understand that it is the high expenses that the manufacturers in Nigeria do that makes their prices higher than China ones.

From the above, there seem to be an overwhelming agreement among these respondents interviewed those internal factors which range from inconsistency of government policies, energy, multiple taxation and lack of adequate domestic demands especially government patronage constitute the challenges facing textile industries in Nigeria.

According to a respondent interviewed, he observed that:

D). In terms of energy –give cheap energy. Make it available and cheapSome companies buy gas in dollar. In Nigeria you buy product in dollar. I think Kwajaffa could have told this. Secondly, there should be low interest rate. Thirdly, the tax should be streamlined. The government can forgive some of these taxes. Since the industry provides employment, they should rule out curtain taxes. Fourthly, government should patronize. If you give these contracts to local industries, they will work through but the year. So government is not patronizing us.

A respondent said:

E). The government should provide infrastructure. You don't expect these companies should perform magic. The government has to provide enough things that will enable them to work. Government should facilitate and create good environment for performance.

Government is said to be expected to play the most decisive role in providing solutions to these challenges facing textile industries. This position is given credence by a respondent interviewed who said:

F). That is just it. Government should do its own part. The companies should do their ownpart. What is the government part? To provide all the necessary infrastructures, incentives and everything that the company needs. What is the company part? To provide standard and competitive goods. Then you will see that whatever is coming in will not be a problem to you again. You too can also go out with your own goods and compete outside that how it supposed to be. It is like when you want to go and play the football outside, the way you train here, that is how you will perform there. You don't expect others to give you players to play your team. So you can go spread your cloth and everybody will come and see it. Oh I like this one better than this one. Then

everybody will display their clothes in the infrastructure market for people to buy. So if government helps local industries to produce competitive product, then when they will spread their product in the international and everybody will come and buy why they buy this one-it has better quality.

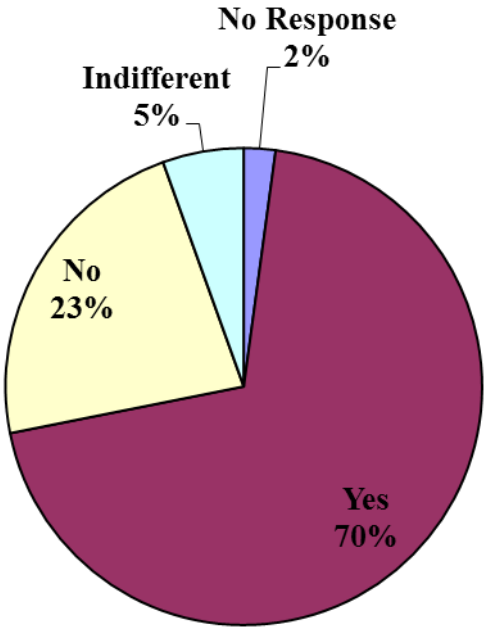
From table 5:27 below, 228 respondents representing 69.73% said "yes", that Nigeria's adoption of WTO trade rules and policies has affected textile industries in Nigeria. Secondly 74 respondents representing 22.63% are of the opinion that "no" Nigeria's adoption of WTO trade rules and policies have not affected textile industries in Nigeria and lastly 18 respondents representing 5.50% are not sure. Figure5.27 and 5.27.1 below are bar chart and pie chart of frequency and percent in table 5.27 respectively.

Table 5.27: The adoption of WTO trade rules and policies has affected textile industries in Nigeria

Response	Frequency	Percent
No response	7	2.14
Yes	228	69.73
No	74	22.63
Not sure	18	5.50
Total	327	100.0

Source: Researcher's Survey 2016

Figure 5.27.1: the Pie Chart representing whether the adoption of WTO trade rules and policies has affected textile industries in Nigeria



Source: Field Report, 2017

The findings from table 5.28 below showed that 240 respondents representing 73.40% are of the opinion that inadequate domestic demands and low patronage led to the collapse of Nigeria's textile industries, 66 respondents representing 20.18% indicated that inadequate domestic demands and low patronage did not lead to the collapse of Nigeria's textile industries. And lastly 16 respondents representing 5.89% are not sure. Figure 5.28 and 5.28.1 are bar chart and pie chart of frequency and percent in table 5.28 respectively.

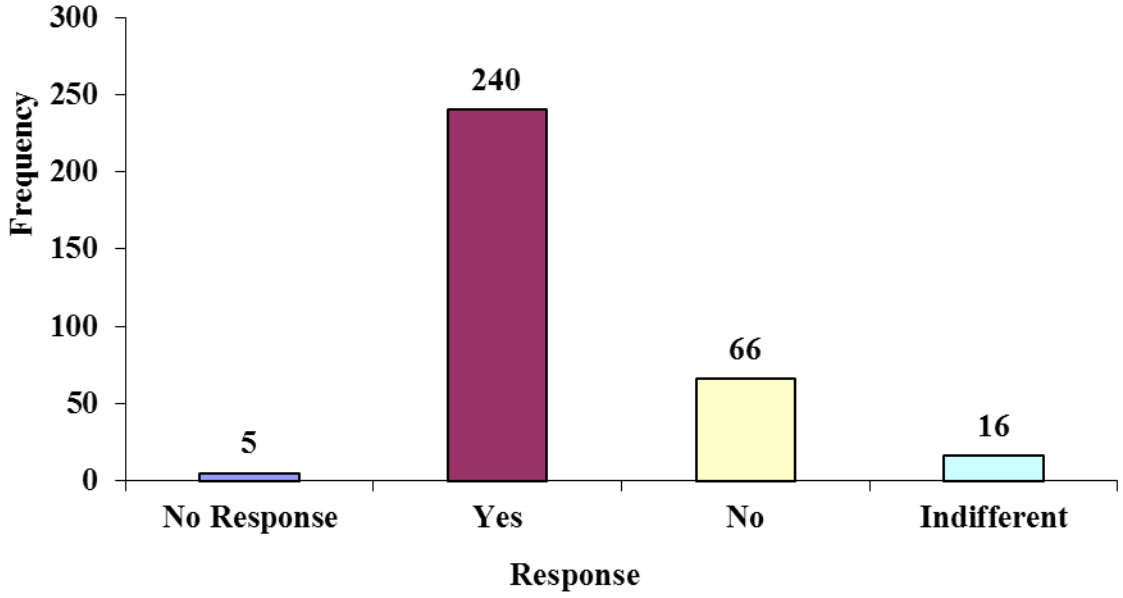
Nigeria with an estimated population of about 180 million and its strategic location in the West African sub region is expected to be a large market but because of inadequate domestic demand and low government patronage, these have posed considerable threat to textile industries in Nigeria.

Table 5.28: Inadequate domestic demands and low patronage led to the collapse of Nigeria's textile industries?

Response	Frequency	Percent
Does No response	5	1.53
Yes	240	73.40
No	66	20.18
Not sure	16	5.89
Total	327	100.00

Source: Researcher's Survey 2017

Figure 5.28: The Bar Chart Representing Responses on whether Inadequate Domestic Demands and Low Patronage Led to the Collapse of Nigeria's Textile Industries



Source: Researcher's Survey 2017

A respondent who claimed anonymousin the interview conducted said:

> You see, the importation of the finished goods into Nigeria which is coming through smuggling is killing the Nigerian industries.Number 1 - we have good quality products here. But because of high cost of production, the prizes even exceed those of the imported goods,which a mere normal man, when he raises China goods it is not as coordinated as our own. They finish and lower down the prize because ofthe smuggling aspect. So they will leave the local goods and take the smuggled one. The influx of the foreign goods are really disturbing ourmarket.

Table 5.29 below, revealed 66 respondents representing 20.18% opined that "yes" Nigeria should remain a member of the WTO, 232 respondents representing 70.95% said "no" Nigeria should not remain a member of the WTO and 22 respondents representing 6.73% are not sure if Nigeria should a member of the WTO or not. The frequency and percent of table 5.29 are presented in figure 5.29 and 5.29.1 respectively.

It is important to note that even though overwhelming majority of 71% of the respondents are of the view that Nigeria not remain a member of WTO, the world has increasingly become more integrated and interdependent than before that no country can risk isolation or autarky. The only thing is that government and private individuals should adopt and adapt to the realities and peculiarities of the Nigerian market.

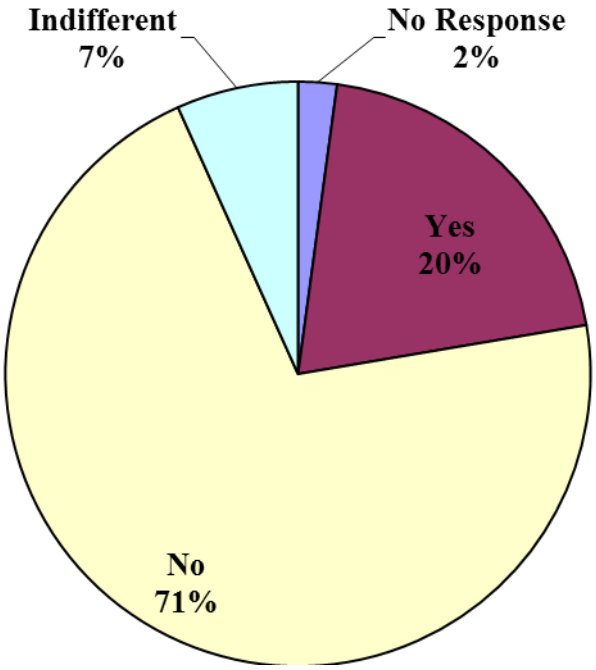
Table 5.29: Showing whether Nigeria should remain a member of WTO

Response	Frequency	Percent
No response	7	2.14
Yes	66	20.18
No	232	70.95
Not sure	22	6.73
Total	327	100.00

Source: Researcher's Survey 2017

Source: Field Report, 2017

Figure 5.29: The Pie Chart Representing Responses on Whether Nigeria is to Remain a Member of WTO



Source: Field Report, 2017

5.3 Demographic presentation of data from Nichemtex Textile Limited, Ikorodu, Lagos

From table 5.30 below, 66 respondents representing 19.64% of the respondents are between 18 to 25 years of age, 108 respondents representing 32.14% are aged between 26 to 35, 89 respondents representing 26.49% are aged between 36 to 45, 39 respondents representing 11.61% are aged between 45 to 55, while 29 respondents representing 8.63% of the respondents are aged 56 and above . The field survey shows that majority of the respondents are between the ages of 26 to 35. This is because the age category falls within the active labour force who are engaged in some productive activities at the time of this study. The result of table 5.30 below is presented in frequency bar chart and percentage pie chart in figure 5.30 and 5.30.1 respectively.

Table 5.30:the Age category of the respondents.

Years	Frequency	Percent
No response	5	1.49
18-25	66	19.64
26-35	108	32.14
36-45	89	26.49
45-55	39	11.61
56 and above	29	8.63
Total	336	100.00

Source: Field survey 2017

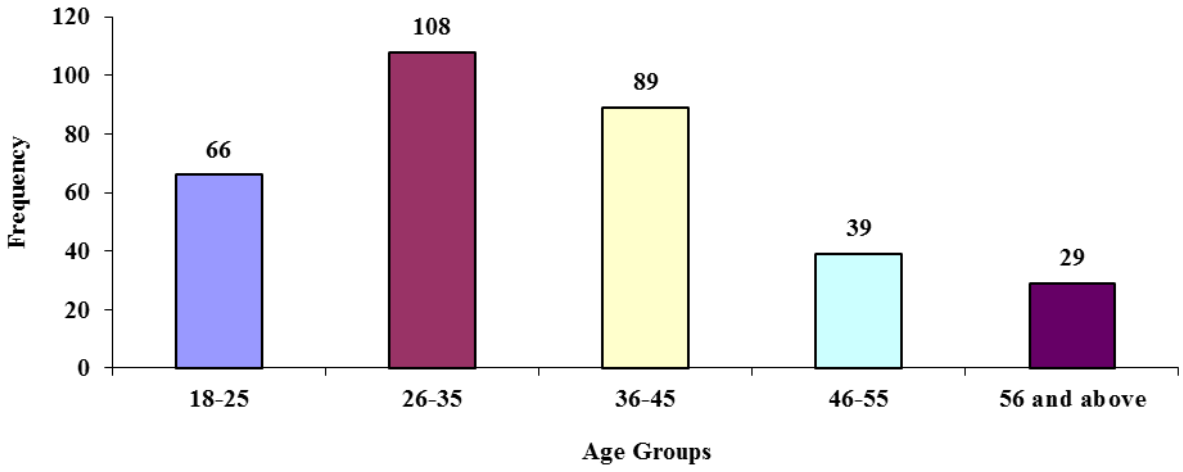


Figure 5.30: The Bar Chart Representing the Age Groups of the Respondents
Source: Field Report, 2017

Table 5.31 showed that 206 respondents representing 61.31% are male and 125 respondents representing 37.20% are female. This shows that male participated more than female in the survey. The high percentage of males from the response rate shows that the textile industry is labour intensive. And so the labour force constitute more male than female in the industry.

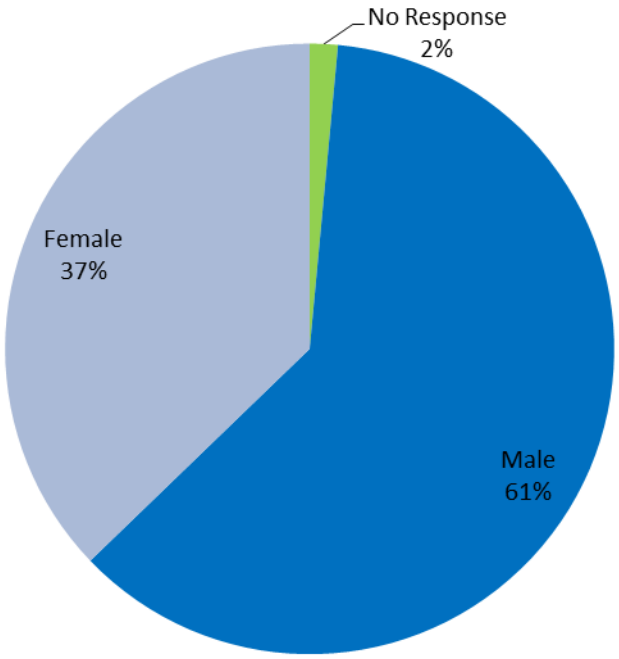
The sex ratio of 61.3% of the male respondents of Nichemtex textile industry is a clear indication that unlike the socio-cultural factors that hinders the engagement of female workers at Tofa textile industry, Kano, the South where Nichemtex is located is more open and flexible thereby giving the female respondents up to 37.20 %. The sex category in frequency and percent are presented in figure 5.31 and 5.31.1 respectively.

Table 5.31: Sex category of the respondents

Sex	Frequency	Percent
No response	5	1.49
Male	206	61.31
Female	125	37.20
Total	336	100.0

Source: Field Survey 2017

Figure 5.31.1: The Pie Chart Representing the Sex of the Respondents



Source: Field Report, 2017

From table 5.32 below, 118 respondents representing 35.12% are single, 199 respondents representing 59.23% are married, 7 respondents representing 2.08% are divorced, 3

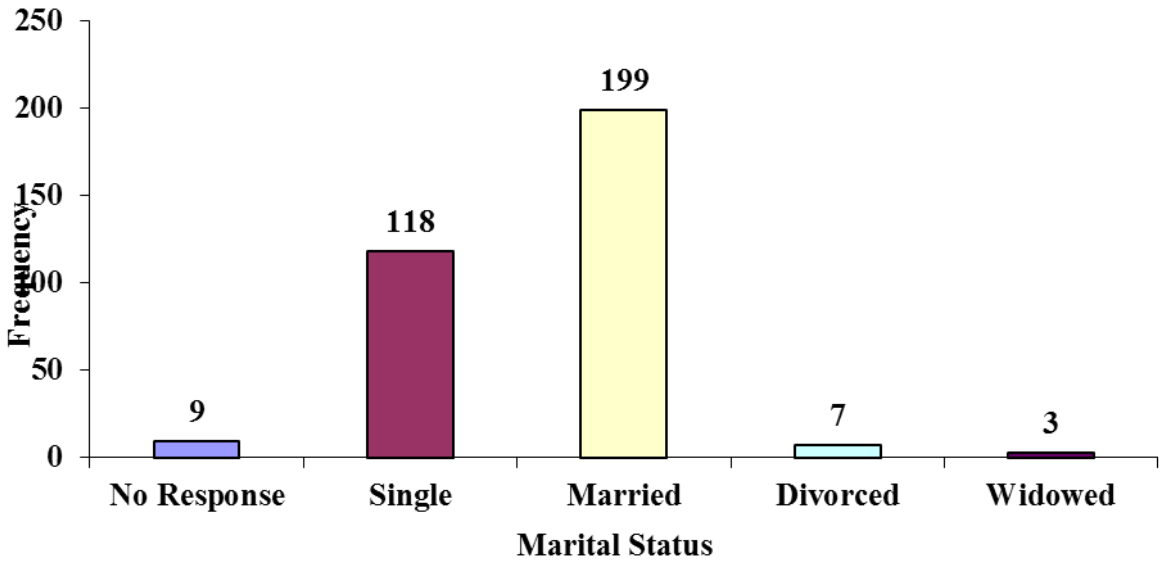
respondents representing 0.89% are widowed while 9 respondents representing 2.68% of the respondents did not respond to the question. This shows that married people participated more in the survey than any other category of the respondents. This is because majority of the respondents are aged between 26 to 35 years which falls within the active productive age of the population. The result is also presented in frequency bar chart in figure 5.32 and percentage pie chart in figure 5.32.1.

Table 5.32: Marital status of the respondents

Status	Frequency	Percent
No response	9	2.68
Single	118	35.12
Married	199	59.23
Divorced	7	2.08
Widowed	3	0.89
Total	336	100.0

Source: Field Survey 2017

Figure 5.32: The Bar Chart Representing the Marital Status of the Respondents



Source: Field Report, 2017

As regards to the level of education of the respondents the table 5.33 showed that those with primary school certificate are 7 which constitute 2.08% of the respondents, those who possess

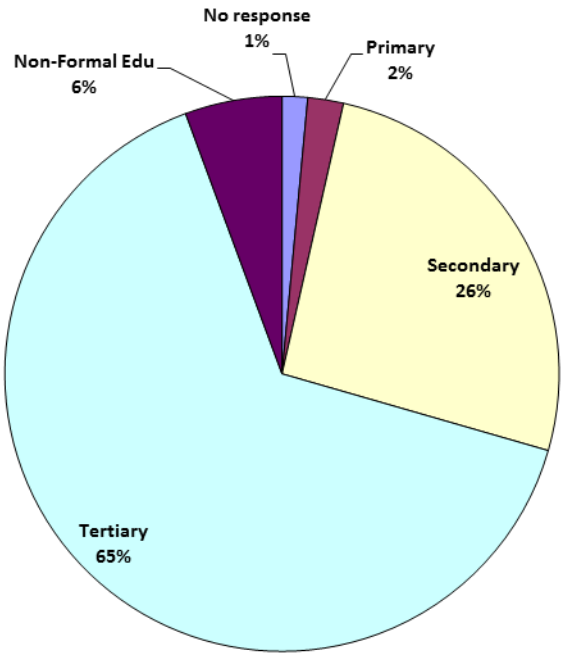
secondary leaving certificate are 87 constituting25.89% of the respondents, those with tertiary education are 218 constituting 64.88% of the respondents, while those with no formal education are 19 constituting 5.66% of the respondents. This shows that those with tertiary education participated more in the survey, which implies that there is a high level of education in the study area and as a result of unemployment and large scale of unemployed graduates; more of them are working in the factory. The frequency and percent in table 5.33 are presented in figure 5.33 and 5.33.1 respectively.

Table 5.33: Educational level of the respondents

Educational Level	Frequency	Percent
Non Formal Education	19	5.66
Primary	7	2.08
Secondary	87	25.89
Tertiary	218	64.88
No Response	5	1.49
Total	336	100.00

Source: Field Survey 2017

Figure 5.33.1: The Pie Chart Showing the Respondents Education Level in Percentages



Source: Field Report, 2017

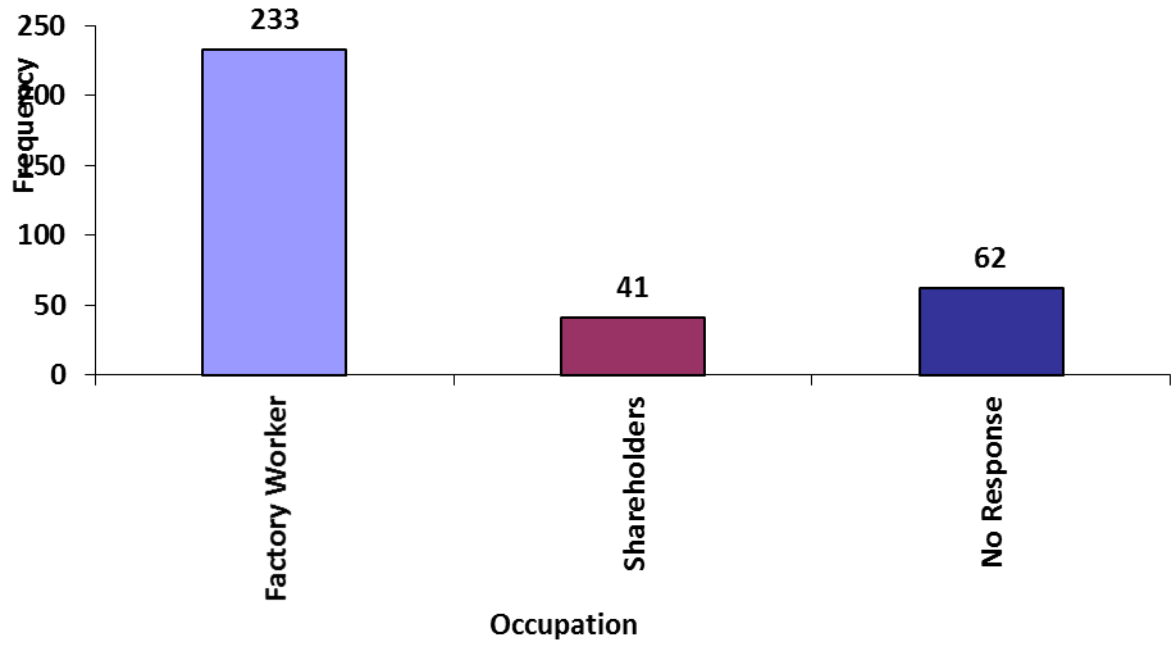
In terms of the occupation of the respondents in table 5.34 below, 233 respondents representing69.35% are factory workers, 41 respondents representing 12.20% are shareholders, while 62 respondents representing 18.45% do not response to the question. This implies that most of the respondents who participated in the survey are factory workers. The frequency and percent of table 5.34 are presenting in figure 5.34 and 5.34.1 respectively.

Table 5.34: Occupation of the Respondents

Description	Frequency	Percentage
Factory workers	233	69.35
Shareholders	41	12.20
No Response	62	18.45
Total	336	100.00

Source: Field Survey 2017

Figure 5.34: The Bar Chart Showing the Respondents Occupation in Numbers



Source: Field Report, 2017

5.3.1 Analysis of Data from Nichemtex Textile Limited, Lagos

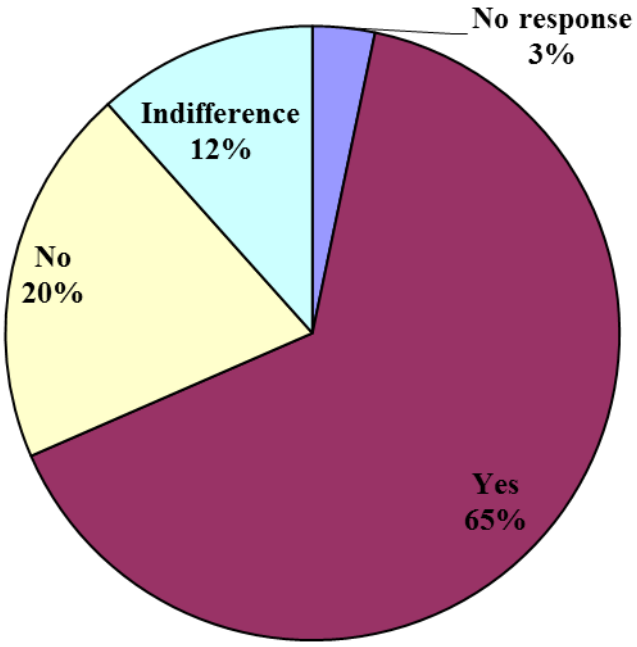
From the table below, 219 respondents representing 65.18% of the respondents are said to be knowledgeable of the WTO liberalization policy, 67 respondents representing 19.94% say they do not know about WTO liberation policy, 39 respondents representing 11.61% are indifferent on the knowledge of WTO liberalization policy while 11 respondents representing 3.27% did not respond to the question. Majority of the respondents seem to be knowledgeable about the WTO liberalization policy. We can conclude from table that knowledge of the world trade liberalization policy is high in the study area. The result in table 5.35 is also presented in figure 5.35 and 5.35.1 as frequency bar chart and percentage pie chart respectively.

Table 5.35 Respondents understanding of WTO liberalization policies

Response	Frequency	Percent
No response	11	3.27
Yes	219	65.18
No	67	19.94
Indifferent	39	11.61
Total	336	100.00

Source: Field Survey 2017

Figure 5.35.1: The Pie Chart Representing the Respondents Understanding of WTO Liberalization in their Percentages



Source: Field Report, 2017

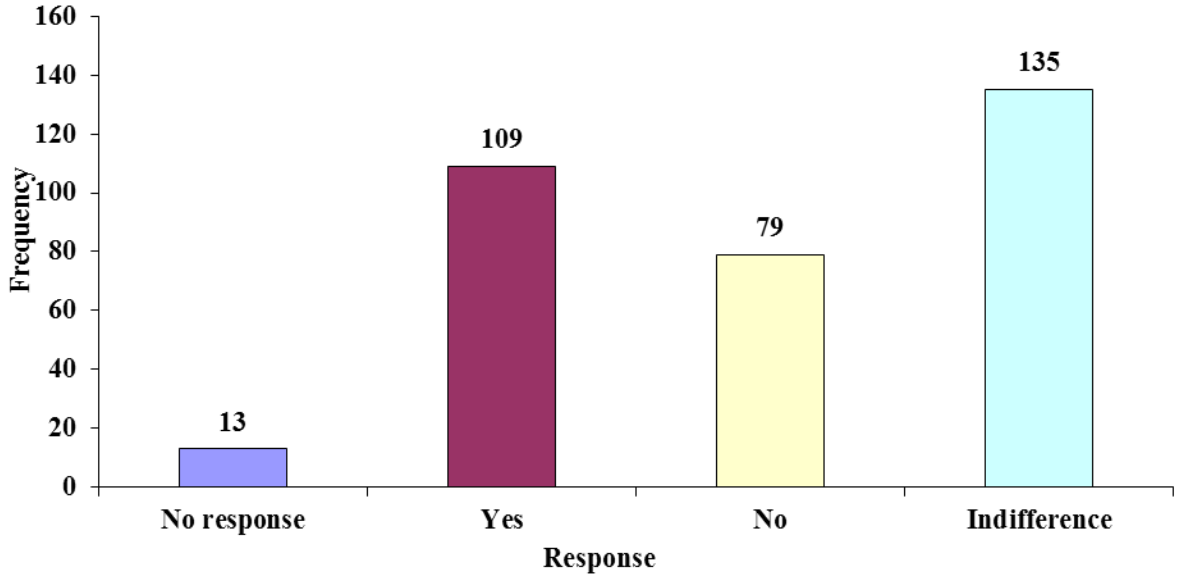
From table 5.36, the findings revealed that 109 respondents representing 32.44% are of the opinion that Nichemtex textile industry has benefitted from the WTO liberalization policy, 79 respondents representing 23.51% reveal that the textile industries have not benefited, 135 respondents representing 40.18% are indifferent while 13 respondent representing 3.87% did not respond to the question. The frequency and percent are presented in figure 5.36 and 5.36.1 respectively.

Table 5.36: Respondents view on whether the Nichemtex textile industry has benefitted from the WTO liberalization policy?

	Frequency	Percent
No response	13	3.87
Yes	109	32.44
No	79	23.51
Indifferent	135	40.18
Total	336	100.00

Source: Field Survey 2017

Figure 5.36.: The Bar Chart Representing Respondents View on how the Nichemtex Textile Industry Benefited from the WTO Liberalization Policy in their Numbers



Source: Field Report, 2017

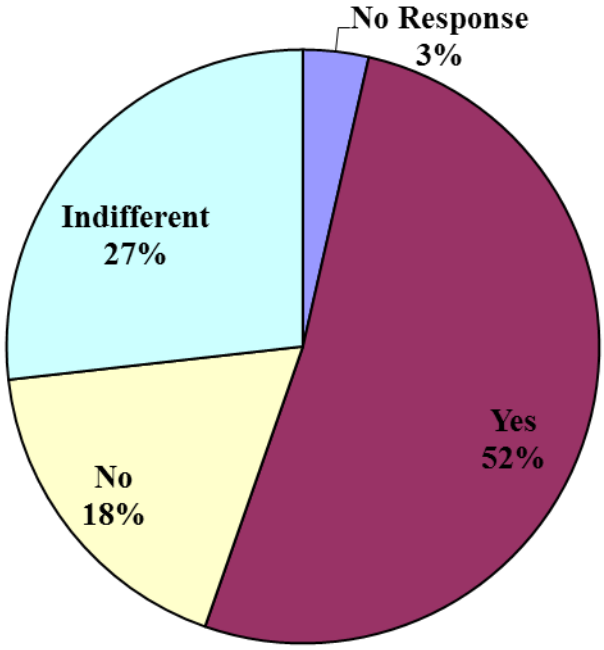
The response rate from the table 5.37 below, it was revealed that 174 respondents representing 51.78% are of the opinion that the textile industries could derive benefit from the WTO trade liberalization, 60 respondents representing 17.86% of the respondents are of the opinion that textile industries could not derive any benefit from WTO's trade liberalization. Lastly, 90 respondents representing 26.79% of the respondents are indifferent while 12 respondents representing 3.57% do not respond. From the response rate it is indicative that majority of the respondents said textile industries derived some benefit. The result of table 5.37 was presented in frequency bar chart of figure 5.37 and percentage pie chart of figure 5.37.1.

Table 5.37 Respondents' view on whether there are benefits the Nichemtex textile industry could derive from WTO's trade liberalization?

Response	Frequency	Percent
No response	12	3.57
Yes	174	51.78
No	60	17.86
Indifferent	90	26.79
Total	336	100.00

Source: Field Survey 2017

Figure 5.37.1: The Pie Chart Representing Responses on the Benefits the Nichemtex textile industry could derive from the WTO Trade Liberalization in their Percentages



Source: Field Report, 2017

Table 5.38: views of the respondents on the nature of benefit5s enjoyed by Nichemtex textile industry from WTO trade liberalization

Response	Frequency	Percent
No response	275	81.85
Ensured goods are produced, enable competitiveness and regularize production cost	7	2.08
Free flow of import and export of textile materials and market access	31	9.23
Makes Nigerian textile products more favourable, available and affordable to encourage patronage	23	6.84
Total	336	100.00

Source: Field Survey 2017

From table 5.38 above, 81.85% of the respondents were indifferent on the nature of benefits enjoyed by Nichemtex textile industry from WTO trade liberalization. 2.08% said the it ensured goods are produced, enable competitiveness and regularize production cost, 9.23% are of the view that, it brings about free flow of import and export of textile materials and

market access while, 6.84% said, it makes Nigeria textile products more favourable, available and affordable to encourage patronage.

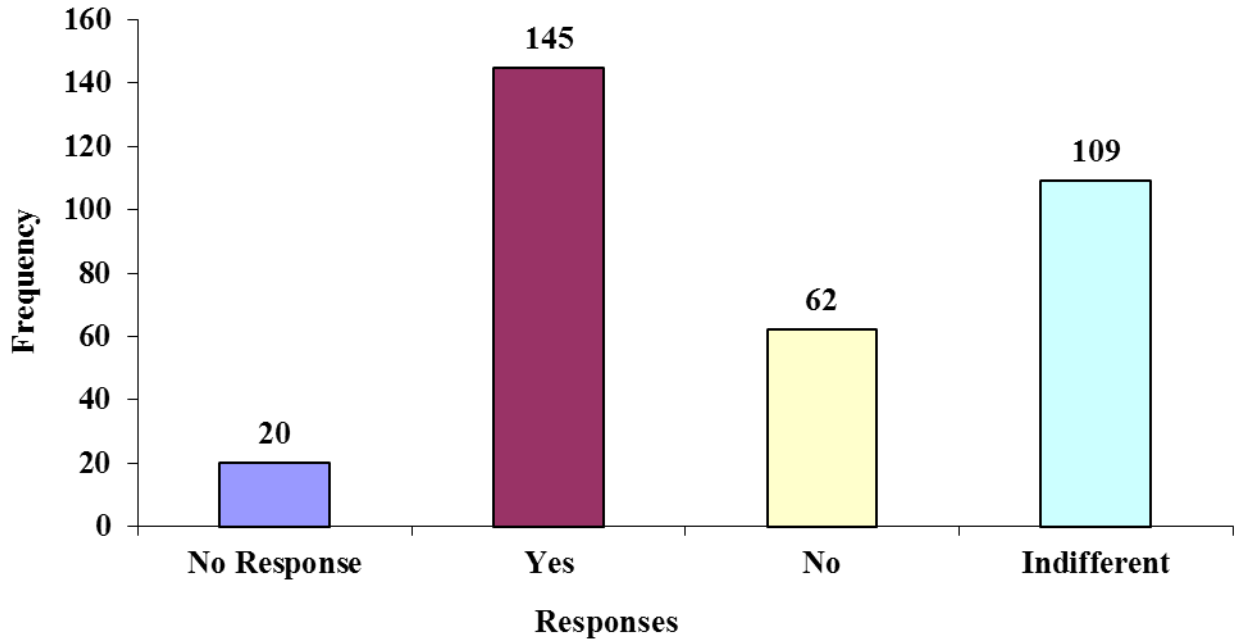
The findings from table 5.39 above reveal that there is a relationship between the near collapse of Nigeria's textile industries and the liberalization policies. The response rate indicates that 43.16% that is 145 respondents are of the opinion that "yes" the near collapse of the textile industry is related to the liberalization policies (for instance, the liberalization policy encourages country to export as much as they can and import as little as they can. It is against this background that countries tend to guard their domestic market jealously while aggressively seeking to access other markets in other countries). Secondly 62 respondents representing 18.45% are of the opinion that there is no relationship between the near collapse of Nigeria's textile industries and the liberalization policy. Although 109 respondents representing 32.44% of the respondents are, indifferent concerning the relationship of the near collapse of the textile industries in Nigeria and the liberalization policy. The result in table 5.39 below was presented in frequency bar chart and percentage pie chart of figure 5.39 and 5.39.1 respectively.

Table 5.39: Respondents' views on whether the near collapse of the Nigeria's textile industries is related to the WTO liberalization policy.

Response	Frequency	Percent
No response	20	5.95
Yes	145	43.16
No	62	18.45
Indifferent	109	32.44
Total	336	100.00

Source: Field Survey 2017

Figure 5.39: The Bar Chart on the Respondents' View on whether the near Collapse of Nigeria's Textile Industries is related to these Liberalization Policies in Numbers.



Source: Field Report, 2017

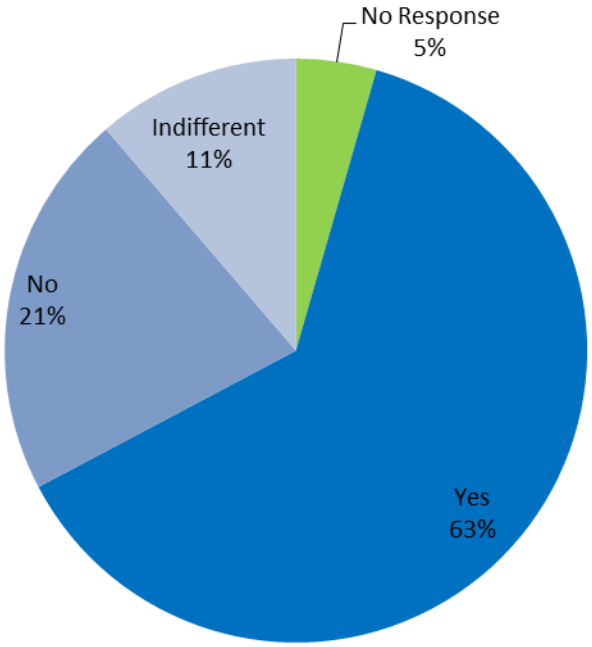
The table 5.40 below revealed that 211respondents representing 62.80% of the respondents have knowledge of Multi Fibre Agreement, 72 respondents representing 21.43% say they do not have knowledge of Multi Fibre Agreement while 38 respondents representing 11.31% are indifferent. We therefore conclude that majority of the respondents constituting 62.80% have knowledge of Multi Fibre Agreement. The frequency bar chart and percentage pie chart of table 5.40 are presented in figure 5.40 and 5.40.1 respectively.

Table 5.40: Respondents view on the knowledge of Multi Fiber Agreement

Response	Frequency	Percent
No response	15	4.46
Yes	211	62.80
No	72	21.43
Indifferent	38	11.31
Total	336	100.00

Source: Field Survey 2017

Figure 5.40.1: The Pie Chart Representing Respondent knowledge of Multi Fibre Agreement in Percentages



Source: Field Report, 2017

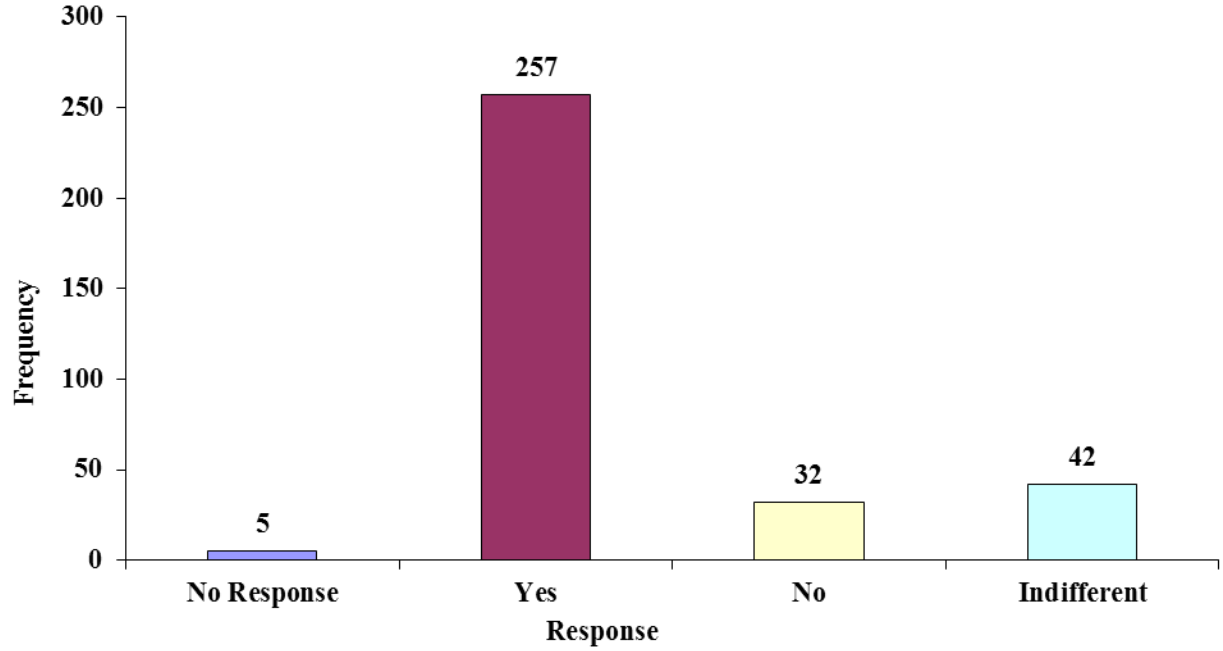
From the table 5.41 below, it was revealed that 257 respondents representing 76.49% of the respondents said "yes" that when quotas are eliminated on exports and imports it will have an effect on textile industries. 32 respondents representing 9.52% are of the opinion that "no" elimination of quotas and restrictions on exports and imports will not affect textile industries in Nigeria and 42 respondents representing 12.50% are indifferent concerning the effects of the elimination of quotas and restrictions on exports and imports if it will affect or not textile industries in Nigeria. The result of table 5.41 was presented in frequency bar and percentage pie chart as shown in figure 5.41 and 5.41.1 respectively.

Table 5.41: Respondents' view on whether the elimination of quotas and restriction on exports and imports affects Nichemtex textile industry

Response	Frequency	Percent
No response	5	1.49
Yes	257	76.49
No	32	9.52
Indifferent	42	12.50
Total	336	100.00

Source: Field Survey 2017

Figure 5.41:The Bar Chart On Opinion of Respondents on if the Elimination of Quotas and Restrictions on Exports and Imports Affects Textile Industries in Nigeria



Source: Field Report, 2017

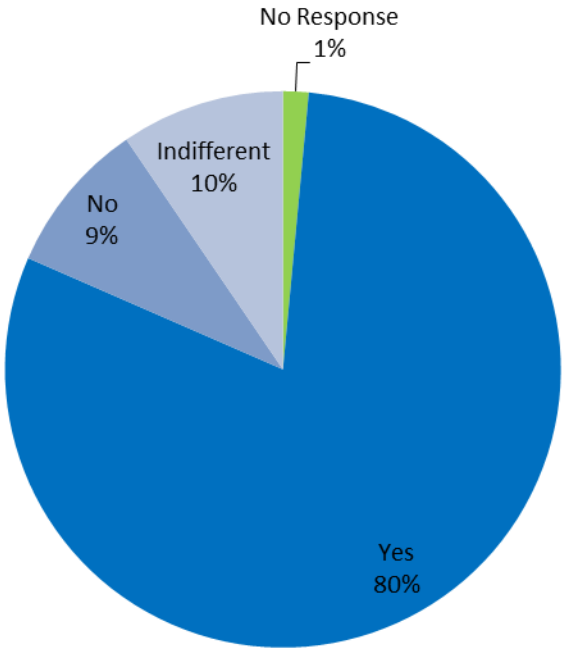
The result of the findings of table 5.42 showed that 269 respondents representing 80.06% say "yes" the dominance of Chinese textiles products in Nigeria's markets has affected industries in Nigeria. Secondly, 30 respondents representing 8.93% said that dominance of Chinese textile products in Nigeria's markets do not affect the industries in Nigeria while 32 respondents representing 9.52% are indifferent. The result was also presented in figure 5.42 and 5.42.1 as frequency bar chart and percentage pie chart respectively.

Table 5.42: Respondents' view on whether the dominance of Chinese textile products in Nigeria's markets has affected Nichemtex textile industry

Response	Frequency	Percent
No response	5	1.49
Yes	269	80.06
No	30	8.93
Indifferent	32	9.52
Total	336	100.00

Source: Field Survey 2017

Figure 5.42.1: The Pie Chart representing whether the dominance of Chinese textile products in Nigeria's market has affected Nichemtex textile industry



Source: Field Report, 2017

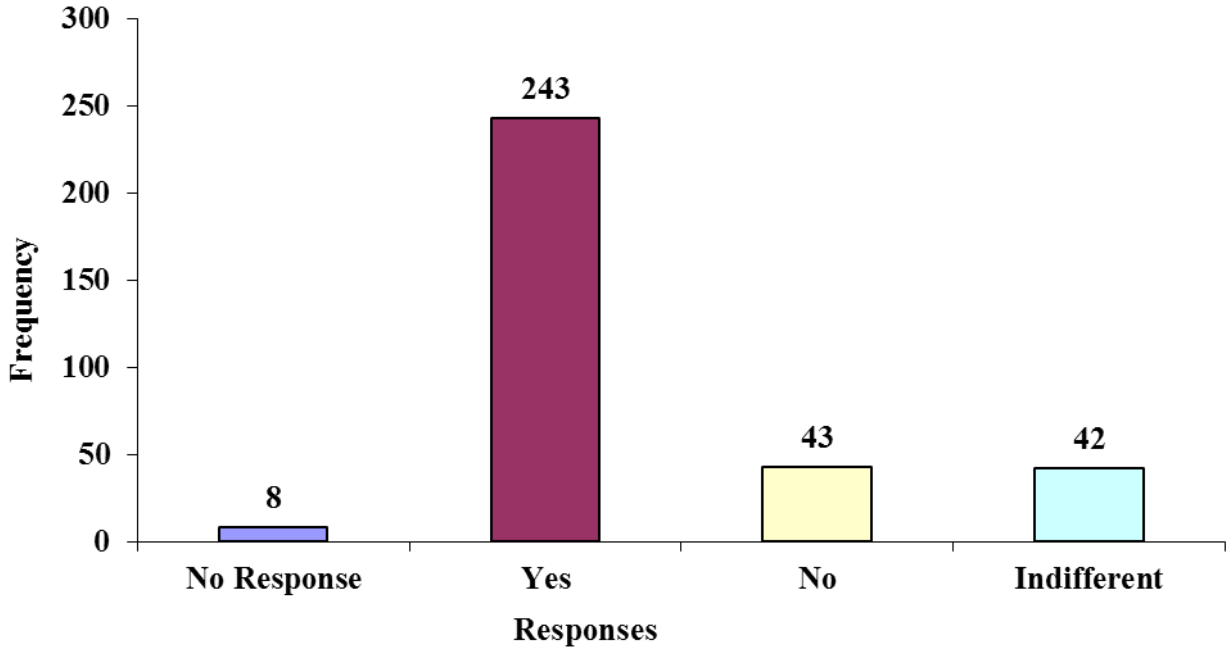
The responses of table 5.43 revealed that 243 respondents representing 72.32% said yes, influx of cheap Chinese textile products in Nigeria's markets have affected textile industries in Nigeria, while 43 respondents representing 12.80% said that, influx of cheap Chinese textile products in Nigeria's markets have not affected textile industries in Nigeria and 42 respondents respectively.

Table5.43: Respondents' view on whether the Influx of Cheap Chinese Textile products in Nigeria's Markets have affected Textile Industries in Nigeria

Response	Frequency	Percent
No response	8	2.38
Yes	243	72.32
No	43	12.80
Indifferent	42	12.50
Total	336	100.00

Source: Researcher's Survey 2017

Figure 5.43: The Bar Chart Representing Whether the influx of cheap Chinese textile products in Nigeria's markets has affected textile industries in Nigeria



Source: Field Report, 2017

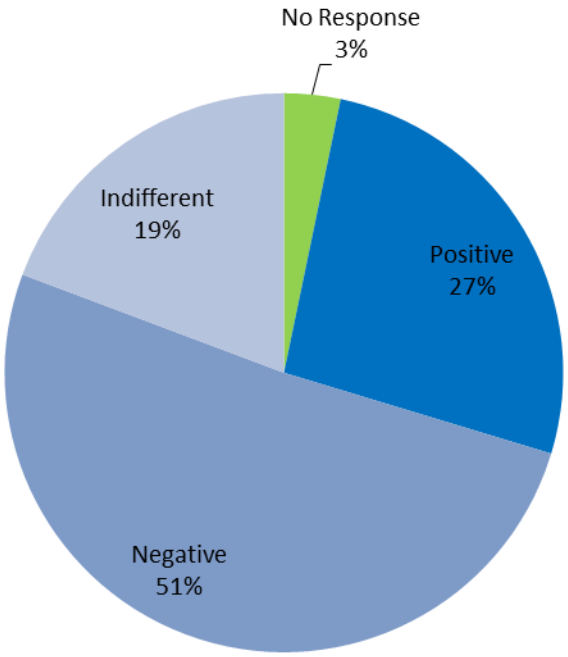
From table 5.44 below, it was revealed that 89 respondents representing 26.49% respondents said that expiration of multi fiber agreements impacts positively on Nigeria's textile industries, 172 of the respondents representing 50.89% indicated a negative impact from the expiration of the multi-fiber on the Nigeria's textile industries and 65 respondents representing 19.35% are indifferent. The result was also presented in frequency bar chart and percentage pie chart as in figure 5.44 and 5.44.1 respectively.

Table 5.44: Respondents' view on how the expiration of Multi Fiber Agreements impacts on Nigeria's textile industries.

Response	Frequency	Percent
No response	11	3.27
Positive	89	26.49
Negative	172	50.89
Indifferent	65	19.35
Total	336	100.00

Source: Field Survey 2017

Figure 5.44.1: The Pie Chart Representing Whether the Expiration of Multi Fiber Agreements Impacted on Nigeria Textile Industries



Source: Field Report, 2017

5.4 Demographic presentation of data from Tofa and Nichemtex Textile Industries

This part employed the use of the Chi-Square test of Independence. The chi-square ($\chi 2$) test of independence is used to test for a statistically significant relationship between two categorical variables. This is an inferential test that uses data from a sample to make conclusions about the relationship between categorical variables in the population.

In addition to Chi-square analysis of the aggregate data from the questionnaires in association with Nichemtex limited Lagos and Tofa Limited Kano, the study used secondary data on production and sales for the two industries to study the trend of productions and sales from 2001 – 2015 based on the availability of data. Also the correlation study was performed to establish the strength of relationship among productions and sales from the two industries.

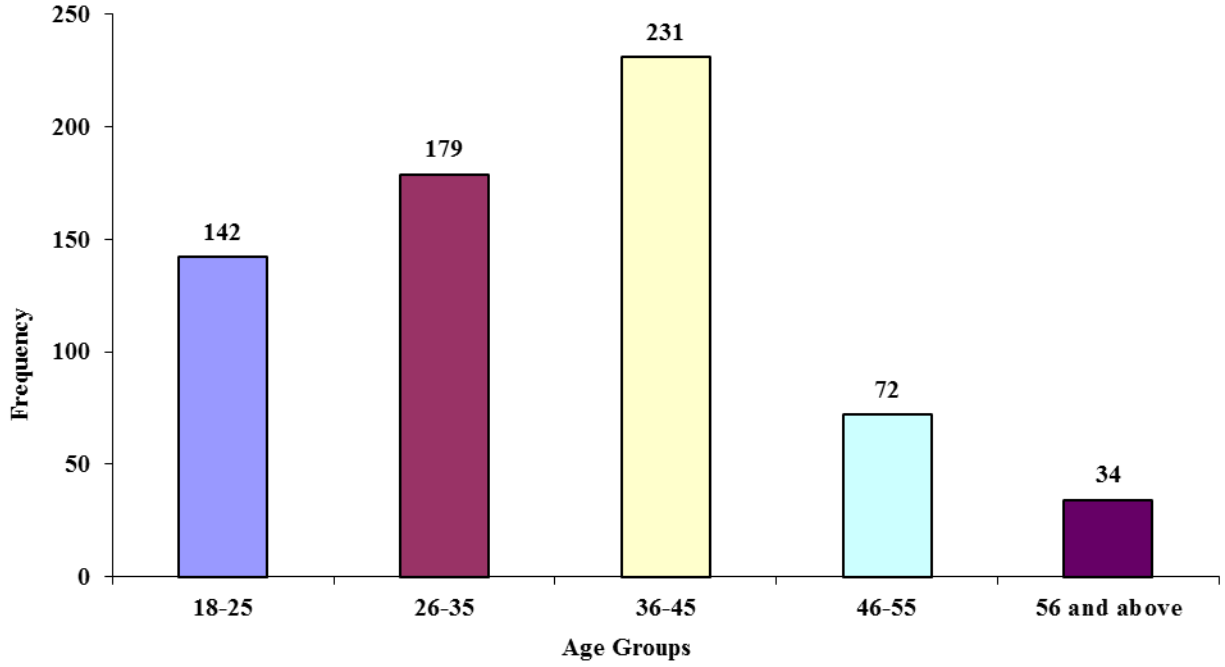
From the table5.45 below 142 respondents representing 21.42% of the respondents are between 18 to 25 years of age, 179 respondents representing 27.00% are aged between 26 to 35, 231 respondents representing 34.84% are aged between 36 to 45, 72respondents representing 10.86% are aged between 45 to 55, while 34respondents representing 5.13% of the respondents are aged 56 and above . The field survey shows that majority of the respondents are between the ages of 36 to 45. This is because the age category falls within the active labour force who are engaged in some productive activities at the time of this study. The frequency and percent of table 5.45 are presented in figure 5.45 and 5.45.1 respectively.

Table 5.45: The Age category of the respondents.

Years	Frequency	Percent
No response	5	0.75
18-25	142	21.42
26-35	179	27.00
36-45	231	34.84
45-55	72	10.86
56 and above	34	5.13
Total	663	100.00

Field survey 2015

Figure 5.45: The Bar Chart Representing the Age Groups of the Respondents



Source: Field Report, 2017

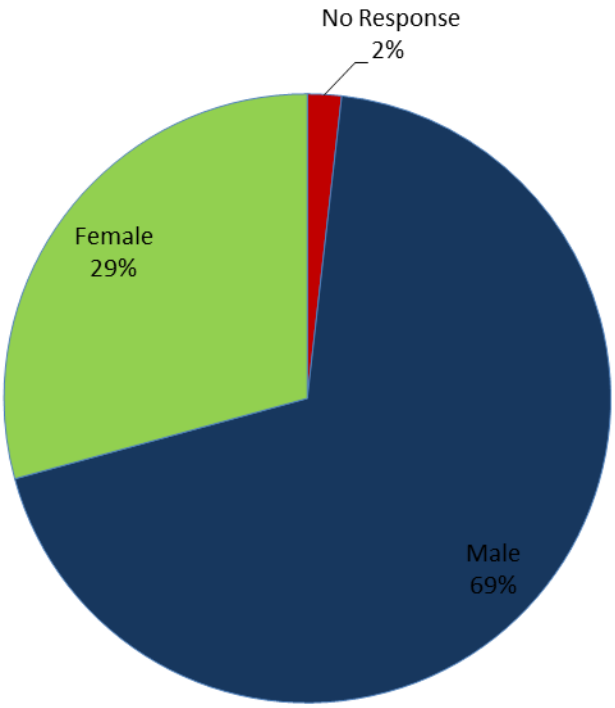
Table 5.46 shows that 457 respondents representing 68.93% are male and 194respondents representing 29.26% are female. This shows that male participated more than female in the survey. The high percentage of males from the response rate shows that the textile industry is labour intensive. And so the labour force constitute more male than female in the industry. The frequency and percent of the table 5.46 are presented in figure 5.46 and 5.46.1 respectively.

Table 5.46: Sex category of the respondents

Sex	Frequency	Percent
No response	12	1.81
Male	457	68.93
Female	194	29.26
Total	663	100.0

Source: Field Survey 2017

Figure 5.46.1: The Pie Chart Representing the Sex of the Respondents



Source: Field Report, 2017

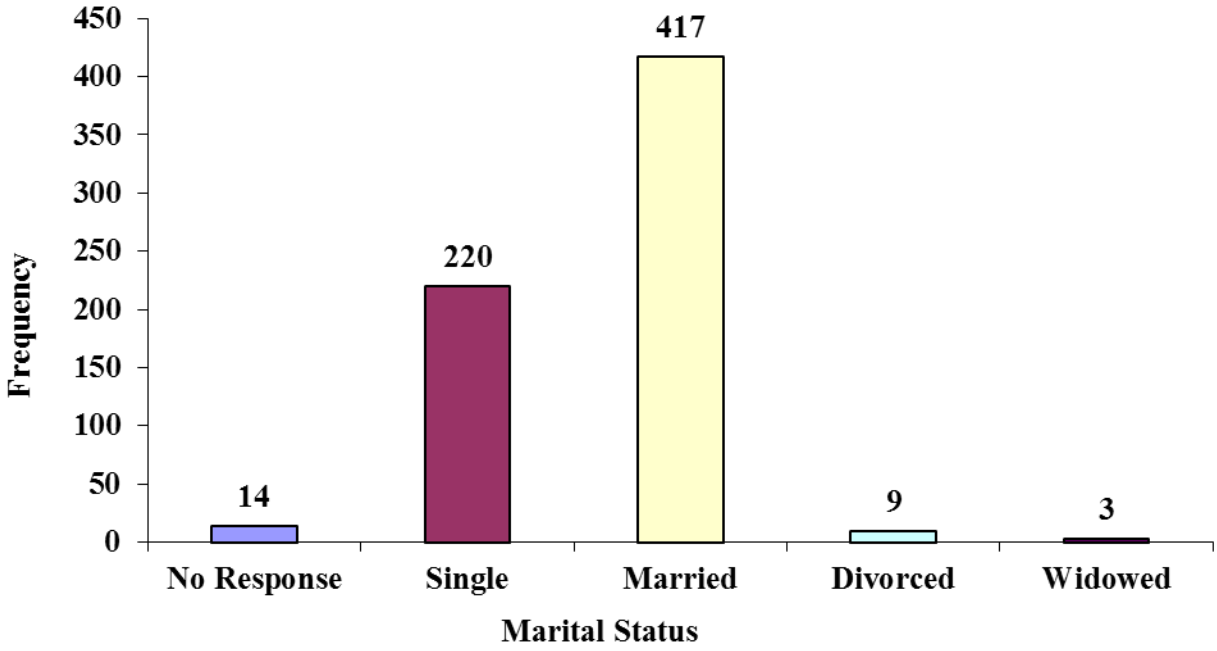
From table 5.47 below, 220 respondents representing 33.18% of the respondents are single, 417 respondents representing 62.90% are married, 9 respondents representing 1.36% are divorced, 3 respondents representing 0.45% are widowed while 14respondents representing 2.11% of the respondents did not respond to the question. This shows that married people participated more in the survey than any other category of the respondents. This is because majority of the respondents are aged between 26 to 35 years which falls within the active age of production. The marital statuses of the respondents are also presented in frequency bar chart in figure 5.47 and percentage pie chart in figure 5.47.1 respectively.

Table 5.47 Marital status of the respondents

Status	Frequency	Percent
No response	14	2.11
Single	220	33.18
Married	417	62.90
Divorced	9	1.36
Widowed	3	0.45
Total	663	100.0

Source: Field Survey 2017

Figure 5.47:The Bar Chart Representing the Marital Status of the Respondents



Source: Field Report, 2017

As regards to the level of education of the respondents, table 5.48 shows that those with primary school certificate are 14 constituting 2.11% of the respondents, those who possess secondary leaving certificate are 184 constituting27.75% of respondents, those with tertiary education are 423 constituting 63.80% of respondents, while those with no formal education are 6 constituting 5.43%. This shows that those with tertiary education participated more in

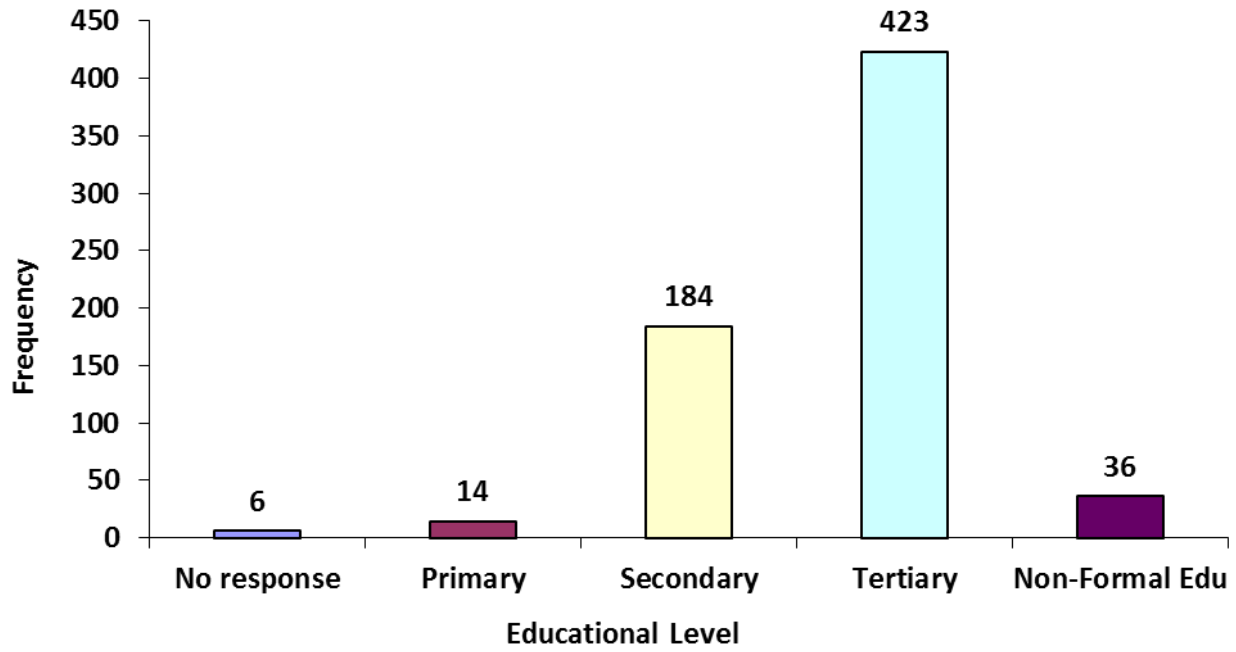
the survey, which implies that there is a high level of education in the study area. The information was also presented in figure 5.48 and 5.48.1 below.

Table 5.48: Educational level of the respondents

Educational Level	Frequency	Percent
Non Formal Education	36	5.43
Primary	14	2.11
Secondary	184	27.75
Tertiary	423	63.80
No Response	6	0.90
Total	663	100.00

Source: Field Survey 2017

Figure 5.48: The Bar Chart Showing the Respondents Education Level



Source: Field Report, 2017

Table 5.49 showed that 454 respondents representing 68.48% are factory workers, 41respondents representing 6.18% are shareholders, 76respondents representing 11.46% are

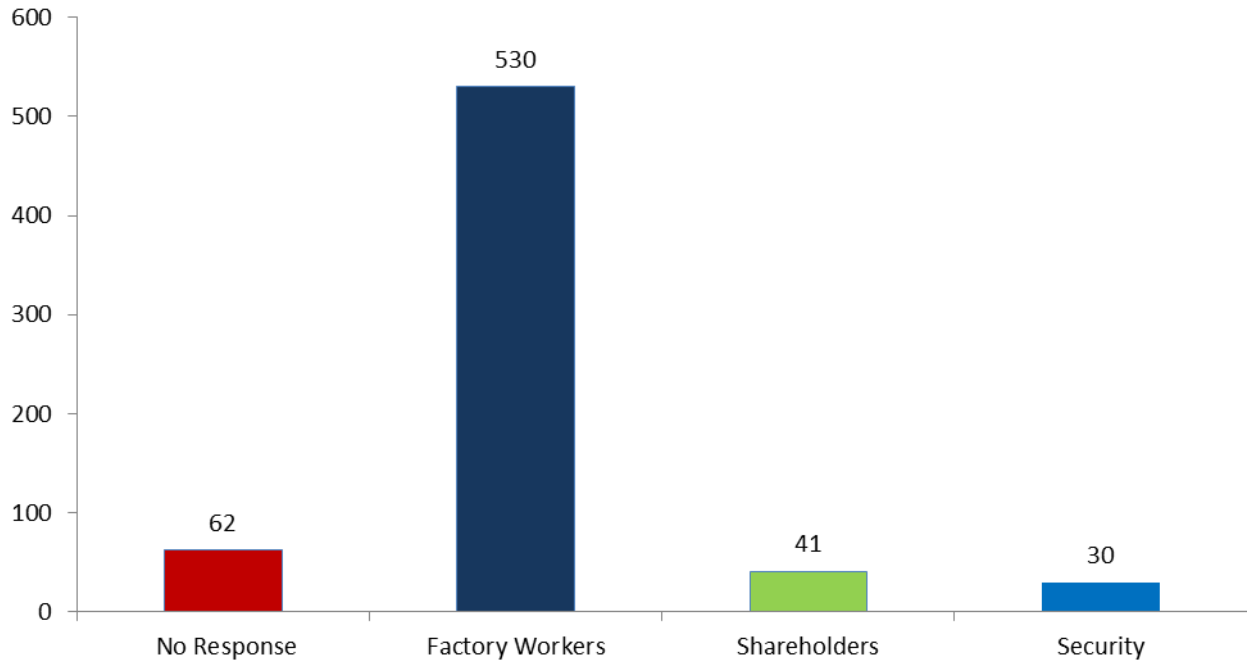
students, and 30respondents representing 4.52% are security while 62respondents representing 9.35% do not response to the question. The result was presented in figure 5.49 and 5.49.1 respectively.

Table 5.49: Occupation of the Respondents

Description	Frequency	Percentage
Factory workers	530	79.94
Shareholders	41	6.18
Security	30	4.53
No Response	62	9.35
Total	663	100.00

Source: Field Survey 2017

Figure 5.49: The Bar Chart Showing the Respondents Occupation in Numbers



Source: Field Report, 2017

5.4.1 Analysis of Data from Tofa Textile Limited, Kano and Nichemtex Textile Limited, Lagos

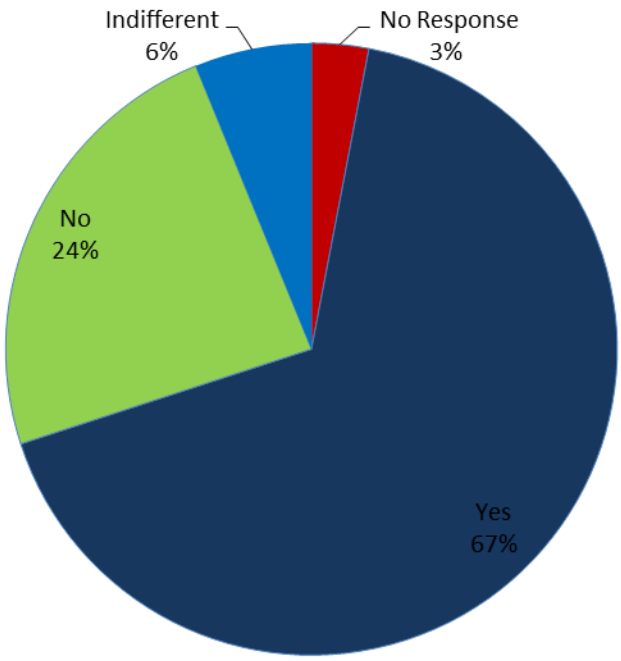
From table 5.50 below, 444 respondents representing 66.97% of the respondents are said to be knowledgeable of the WTO liberation policy, 158respondents representing 23.83% say they do not know WTO liberation policy, 41respondents representing6.18% are indifferent of the knowledge they have while 20respondents representing 3.02% did not respond to the question. Majority of the respondents seem to be knowledgeable about the WTO liberation policy. We can conclude from table that knowledge of the world trade liberation policy is high in the study area. The frequency and percent are presented as frequency bar chart in figure 5.50 and percentage pie chart in figure 5.50.1 below.

Table 5.50: Respondents understanding of WTO liberalization policies

Response	Frequency	Percent
No response	20	3.02
Yes	444	66.97
No	158	23.83
Indifferent	41	6.18
Total	663	100.00

Source: Field Survey 2017

Figure 5.50.1: The Pie Chart Representing the Respondents Understanding of WTO Liberalization in their Percentages



Source: Field Report, 2017

Decision rule: A weighted mean score of 2.50 and above was considered as agreed, while a weighted mean score of less than 2.50 was considered as disagreed

Table 5.51 below indicated that the mean response from Tofa textile industry Kano on the understanding of WTO liberalization policies is 3.65 and that of Nichemtex textile industry is 3.50.This indicated that, there was understanding of WTO liberalization policies among respondents from both Tofa and Nichemtex textile limited.

Table 5.51: The Mean response rate on the Understanding of WTO Liberalization policies
Respondents from Tofa and Nichemtex Textile Industries, Nigeria

Industry	Sample Size	Mean Response
Nichemtex	336	3.50
Tofa	327	3.65

Source: Researcher's Survey 2017

Decision rule: if the calculated chi-square test is less than the table value the response is not associated with the textile industry, otherwise, response is associated with the textile industry.

Table 5.52 below is the Result of the Chi-Square and since $\chi^2_{0.05,2} = 5.99$ less than $\chi^2_{cal} = 151.60$, we thereby concluded that the understanding of WTO liberalization policies is associated with the industry

Table 5.52: The Chi-Square Result on the relationship between Nigeria's textile Industries and Understanding of WTO Liberalization Policies with expected values in parenthesis

Industry	Yes	indifferent	No	Total
Nichemtex	219 (225.01)	50(30.91)	67(80.07)	336
Tofa	225(218.99)	11(30.09)	91(77.93)	327
Total	444	61	158	663
$\chi^2_{cal} = 151.60, \chi^2_{0.05,2} = 5.99$	Df=2			

Source: Researcher's Survey 2017

From table 5.53 below, the findings revealed that 236 respondents representing 35.60% are of the opinion that textile industries have benefitted from the WTO liberalization policy, 253 respondents representing 38.16% revealed that the textile industries have not benefited, 161 respondents representing 24.28% are indifferent and 13 respondents representing 1.96% do not response to the question. The results are presented in figure 5.53 and 5.53.1 as frequency bar chart and percentage pie chart respectively.

Table 5.53: Respondents view on whether the Nigeria's textile industries have benefitted from the WTO liberalization policy?

Response	Frequency	Percent

No response	13	1.96
Yes	236	35.60
No	253	38.16
Indifferent	161	24.28
Total	663	100.00

Source: Field Survey 2017

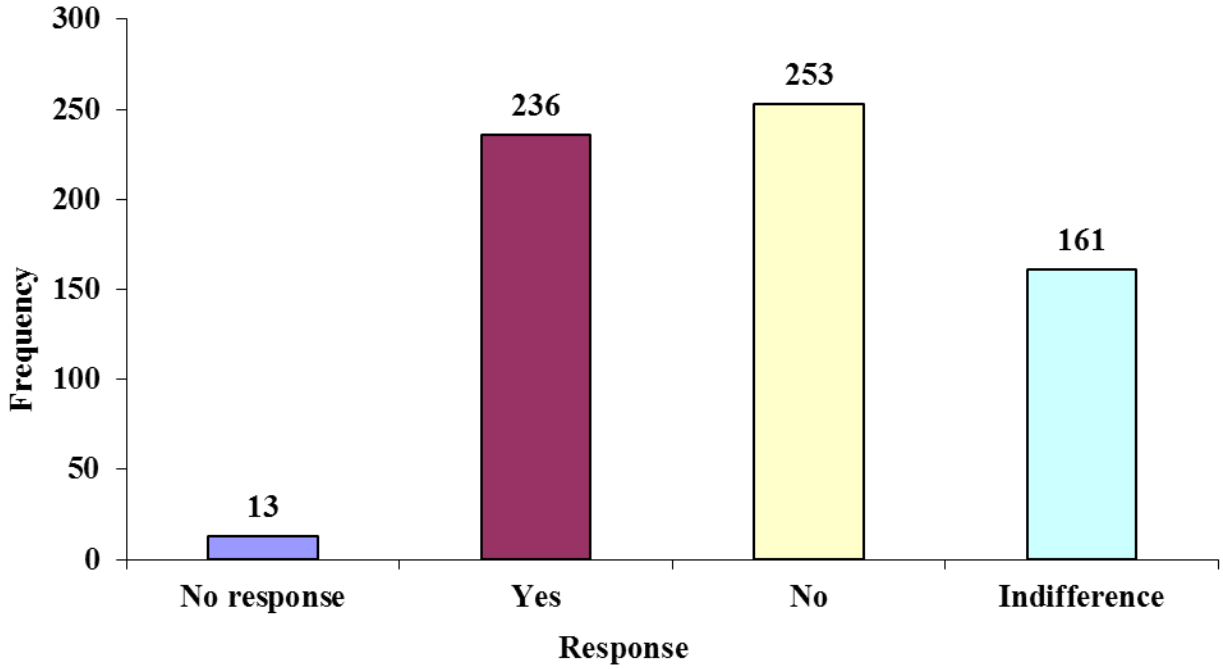


Figure 5.53: The Bar Chart Representing Respondents View on how the Nigerian Textile Industry Benefited from the WTO Liberation Policy in their Numbers
Source: Field Report, 2017

Decision rule: A weighted mean score of 2.50 and above was considered as agreed, while a weighted mean score of less than 2.50 was considered as disagreed

Table 5.54 below indicated that the mean response from Tofa textile industry Kano on the benefit of WTO liberalization policies is 3.31 and is higher than that of Nichemtex textile industry which is 2.88. The indicated that, WTO liberalization policy benefit Tofa textile limited more than the Nichemtex textile limited.

Table 5.54: The Mean response rate on the Benefit of WTO Liberalization Policies by Respondents from Tofa and Nichemtex Textile Industries, Nigeria

Industry	Sample Size	Mean Response
Nichemtex	336	2.88
Tofa	327	3.31

Source: Researcher's Survey 2017

Decision rule: if the calculated chi-square test is less than the table value the response is not associated with the textile industry, otherwise, response is associated with the textile industry. Table 5.55is the Result of the Chi-Square and since $\chi^2_{0.05,2} = 5.99$ less than $\chi^2_{cal} = 122.485$, we thereby concluded that the responses on the benefits of WTO liberalization policy is associated with the industry. In the other words the responses from the respondents to the question on the benefit of WTO liberalization policies depends on the textile industry.

Table 5.55: The Chi-Square Result on Association of Industries to responses on the Benefit of WTO Liberalization Policies with expected values in parenthesis

Industry	Yes	Indifferent	No	Total
Nichemtex	109 (119.60)	148(88.18)	79(128.22)	336
Tofa	127(116.40)	26(85.82)	174(124.78)	327
Total	236	174	253	663
$\chi^2_{cal} = 122.485$	$\chi^2_{0.05,2} = 5.99$	$DF = 2$		

Source: Researcher's Survey 2017

Table 5.56 revealed that 207 respondents representing 31.22% are of the opinion that the textile industries could derive benefit from the WTO trade liberalization, 324respondents representing 48.87% of the respondents are of the opinion that textile industries could not derive any benefit from WTO's trade liberalization. Lastly, 120respondents representing 18.10% of the respondents are indifferent and 12respondents representing 1.81% do not

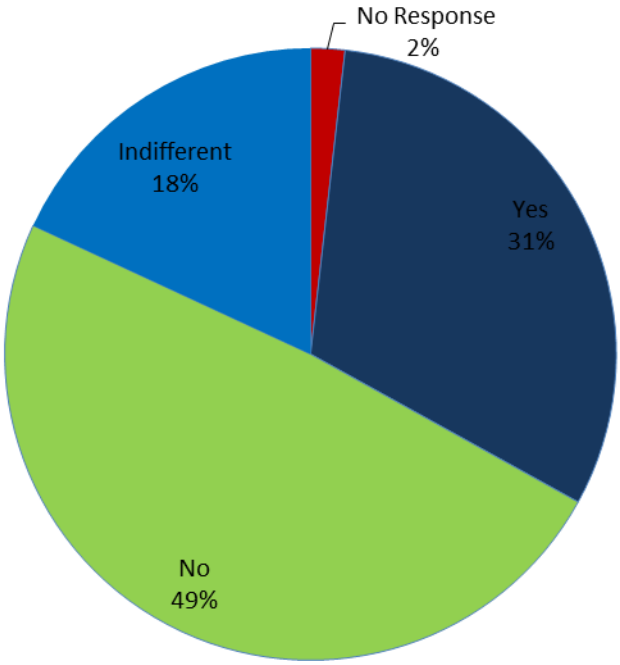
respond. From the response rate it is indicative that majority of the respondents said textile industries derived some benefits. This information was also presented in figure 5.56 and 5.56.1 as frequency bar chart and percentage pie chart respectively.

Table 5.56: Respondents' view on whether there are benefits of the WTO's trade liberalization to the Nigerian textile industries

Response	Frequency	Percent
No response	12	1.81
Yes	207	31.22
No	324	48.87
Indifferent	120	18.10
Total	663	100.00

Source: Field Survey 2017

Figure 5.56.1: The Pie Chart Representing Responses on the Benefits the Nigerian Textile Industries could Derive from the WTO Trade Liberation in their Percentages



Source: Field Report, 2017

Decision rule: A weighted mean score of 2.50 and above was considered as agreed, while a weighted mean score of less than 2.50 was considered as disagreed.

Table 5.57 below indicated that the mean response from Tofa textile industry Kano on the benefit Nigeria textile industries could derive from WTO liberalization policies is 3.01 and is lower than that of Nichemtex textile industry which is 3.21. This indicated there was a general agreement that Nigeria textile industries could derive some benefit from WTO liberalization policies.

Table 5.57: The Mean response rate on the Benefits Nigeria Textile Industries could derive from WTO Liberalization Policies by Respondents from Tofa and Nichemtex Textile Industries, Nigeria

Industry	Sample Size	Mean Response
Nichemtex	336	3.21
Tofa	327	3.01

Source: Researcher's Survey 2017

Decision rule: if the calculated chi-square test is less than the table value the response is not associated with the textile industry, otherwise, response is associated with the textile industry.

From the chi-square Results of table 5.58 below, $\chi^2_{0.05,2} = 5.99$ less than $\chi^2_{cal} = 163.687$ indicated that the responses on the benefits Nigerian textile industries could derive from WTO's trade liberalization policies is associated with the industry. In the other words the responses from the respondents to the question on the benefit Nigerian textile industries could drive from WTO's trade liberalization policies depends on the textile industry of the respondent.

Table 5.58: The Chi-Square Result on Association of Industries to responses on the Benefits Nigeria Textile Industries could derive from WTO Liberalization Policies with expected values in parenthesis

Industry	Yes	indifferent	No	Total
Nichemtex	174 (104.90)	102(66.90)	60(164.20)	336
Tofa	33(102.10)	30(65.10)	264(159.80)	327
Total	207	132	324	663
$\chi^2_{cal} = 163.687$		$\chi^2_{0.05,2} = 5.99$	$DF = 2$	

Source: Researcher's Survey 2017

Table 5.59 below, revealed if there is a relationship between near collapse of Nigeria's textile industries and the liberalization policies. It was indicated that 392 respondents representing 59.13% are of the opinion that "yes" the near collapse of the textile industry is related to the liberalization policies (for instance, the liberalization policy encourages country to export as much as they can and import as little as they can. Behind this background countries tend to guard their domestic market jealously when aggressively seeking to access other markets in other countries). Secondly 129respondents representing 19.46% are of the opinion that there is no relationship between the near collapse of Nigeria's textile industries and the

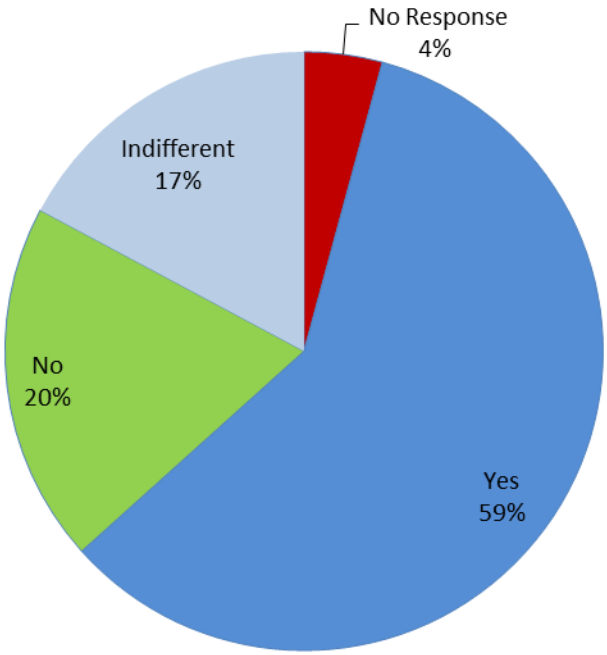
liberalization policy. And 114respondents representing 17.19% of the respondents are indifferent concerning the relationship of the near collapse of the textile industries in Nigeria and the liberalization policy. The frequency and percent are presented in figure 5.59 and 5.59.1 respectively.

Table 5.59: Respondents' views on whether the near collapse of the Nigeria's textile industries is related to the WTO liberalization policy.

Response	Frequency	Percent
No response	28	4.22
Yes	392	59.13
No	129	19.46
Indifferent	114	17.19
Total	663	100.00

Source: Field Survey 2017

Figure 5.59.1: The pie chart on the respondents' view on whether the near collapse of Nigeria's textile industries is related to these liberalization policies in percentages



Source: Field Report, 2017

Decision rule: A weighted mean score of 2.50 and above was considered as agreed, while a weighted mean score of less than 2.50 was considered as disagreed

Table 5.60 below indicates that the mean response from Tofa textile industry Kano on the near collapse of the Nigeria's textile industries is related to WTO liberalization policies is 3.72 and is higher than that of Nichemtex textile industry which is 3.04. This indicated that there was agreement that, the near collapse of the Nigeria's textile industries is related to the WTO liberalization policies from Nichemtex textile limited and Tofa textile limited respectively.

Table 5.60: The Mean response rate on the relationship between the near Collapse of the Nigeria's Textile Industries and WTO Liberalization Policies by Respondents from Tofa and Nichemtex Textile Industries, Nigeria

Industry	Sample Size	Mean Response
Nichemtex	336	3.04
Tofa	327	3.72

Source: Researcher's Survey 2017

Decision rule: if the calculated chi-square test is less than the table value the response is not associated with the textile industry, otherwise, response is associated with the textile industry.

The chi-square Results of table 5.61 with $\chi^2_{0.05,2} = 5.99$ less than $\chi^2_{cal} = 127.375$ indicated that the responses on the near collapse of Nigerian textile industries is related to WTO's trade liberalization policies is associated with the industry of the respondent.

Table 5.61: The Chi-Square Result on the Association of Industries to responses on the Near Collapse of the Nigeria's Textile Industries is related to the WTO's Liberalization Policies with expected values in parenthesis

Industry	Yes	indifferent	No	Total
Nichemtex	121 (186.50)	109(61.83)	106(87.67)	336
Tofa	247(181.50)	13(60.17)	67(85.33)	327
Total	368	122	173	663
$\chi^2_{cal} = 127.375$		$\chi^2_{0.05,2} = 5.99$	$DF = 2$	

Source: Researcher's Survey 2017

Table 5.62 below reveals that 430 respondents representing 64.86% of the respondents have knowledge of Multi-Fibre Agreement, 167respondents representing 25.19% say they do not have knowledge of Multi Fibre Agreement and 48 respondents representing 7.24% are indifferent. We therefore conclude that majority of the respondents constituting 64.86% have knowledge of Multi Fibre Agreement. The response on the knowledge of multi fibre agreement was presented as frequency bar chart and percentage pie chart in figure 5.62 and 5.62.1 respectively.

Table 5.62: Respondents view on the knowledge of Multi Fibre Agreement

Response	Frequency	Percent
No response	18	2.71
Yes	430	64.86
No	167	25.19
Indifferent	48	7.24
Total	663	100.00

Source: Field Survey 2017

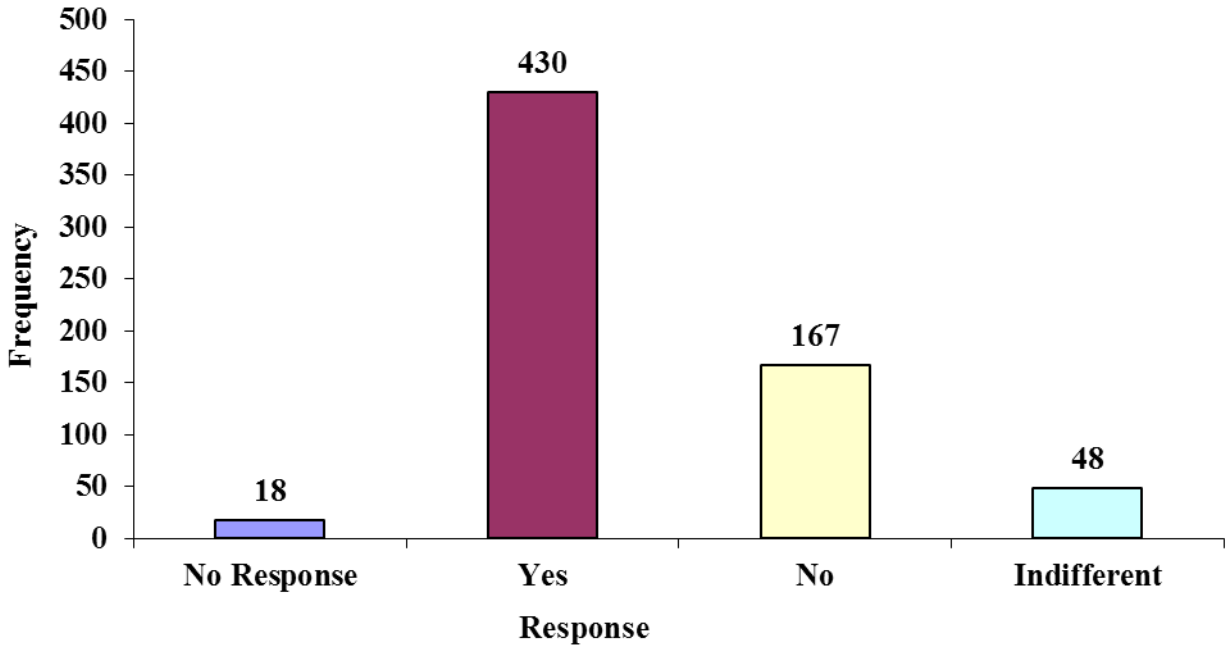


Figure 5.62: The Bar Chart Representing Respondent knowledge of Multi Fibre Agreement in Numbers

Source: Field Report, 2017

Decision rule: A weighted mean score of 2.50 and above was considered as agreed, while a weighted mean score of less than 2.50 was considered as disagreed

Table 5.63 above indicated that the mean response from Tofa textile industry Kano on the knowledge of multi fiber agreement is 3.63 and is higher than that of Nichemtex textile industry which is 3.47. This indicated that there was knowledge of multi fibre agreement by respondents from Tofa and Nichemtex textile limited.

Table 5.63: The Mean response rate on the Knowledge of Multi Fibre Agreement by Respondents from Tofa and Nichemtex Textile Limited, Nigeria

Industry	Sample Size	Mean Response
Nichemtex	336	3.47
Tofa	327	3.63

Source: Researcher's Survey 2017

Decision rule: if the calculated chi-square test is less than the table value, the response is not associated with the textile industry, otherwise, response is associated with the textile industry.

The chi-square Results of table 5.64 with $\chi^2_{0.05,2} = 5.99$ less than $\chi^2_{cal} = 27.442$ indicated that the responses on the knowledge of multi fiber agreement is associated with the industry of the respondent.

Table 5.64: The Chi-Square Result on Association of Industries to responses on the Knowledge of Multi Fiber Agreement with expected values in parenthesis

Industry	Yes	indifferent	No	Total
Nichemtex	211 (217.92)	53(33.45)	72(84.63)	336
Tofa	219(212.08)	13(32.55)	95(82.37)	327
Total	430	66	167	663
$\chi^2_{cal} = 27.442$	$\chi^2_{0.05,2} = 5.99$		$DF = 2$	

Source: Researcher's Survey 2017

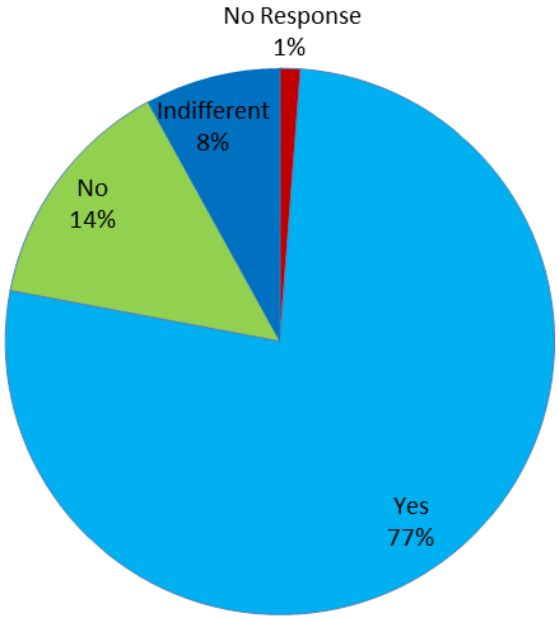
From table 5.65 below, it revealed that 509 respondents representing 76.77% of the respondents said "yes" that when quotas are eliminated on exports and imports it will have an effect on textile industries. 93 respondents representing 14.03% are of the opinion that "no" elimination of quotas and restrictions on exports and imports will not affect textile industries in Nigeria and 53respondents representing 7.99% are indifferent concerning the effects of the elimination of quotas and restrictions on exports and imports if it will affect or not textile industries in Nigeria. The result was presented as frequency bar chart in figure 5.65 and percentage pie chart in figure 5.65.1.

Table 5.65: Respondents' view on whether the elimination of quotas and restriction on exports and imports affects textile industries in Nigeria.

Response	Frequency	Percent
No response	8	1.21
Yes	509	76.77
No	93	14.03
Indifferent	53	7.99
Total	663	100.00

Source: Field Survey 2017

Figure 5.65.1:The Pie Chart On Opinion of Respondents on if the Elimination of Quotas and Restrictions on Exports and Imports Affects Textile Industries in Nigeria



Source: Field Report, 2017

Decision rule: A weighted mean score of 2.50 and above was considered as agreed, while a weighted mean score of less than 2.50 was considered as disagreed.

Table 5.66 below indicated that, the mean response from Tofa textile industry Kano on the elimination of quotas and restriction on exports and imports affects textile industries in Nigeria is 3.63 and is higher than that of Nichemtex textile industry which is 3.73.it was general agreed that the elimination of quotas and restriction on exports and imports affects textile industries in Nigeria by both respondents from Tofa and Nichemtex textile limited.

Table 5.66: The Mean response rate on the Elimination of Quotas and Restriction on Exports and Imports Affects Textile Industries in Nigeria by Respondents from Tofa and Nichemtex Textile Industries, Nigeria

Industry	Sample Size	Mean Response
Nichemtex	336	3.63
Tofa	327	3.73

Source: Researcher's Survey 2017

Decision rule: if the calculated chi-square test is less than the table value the response is not associated with the textile industry, otherwise, response is associated with the textile industry.

The chi-square Results of table 5.67 below with $\chi^2_{0.05,2} = 5.99$ less than $\chi^2_{cal} = 26.827$ indicated that the responses on the elimination of quotas and restriction on exports and imports affects textile industries in Nigeria is associated with the respondent industry.

Table 5.67: The Chi-Square Result on Association of Industries to responses on the Elimination of Quotas and Restriction on Exports and Import Affects Textile Industries in Nigeria with expected values in parenthesis

Industry	Yes	indifferent	No	Total
Nichemtex	257 (257.95)	47(30.91)	32(47.13)	336
Tofa	252(251.05)	14(30.09)	61(45.87)	327
Total	509	61	93	663
$\chi^2_{cal} = 26.827$		$\chi^2_{0.05,2} = 5.99$	$DF = 2$	

Source: Researcher's Survey 2017

The result of the findings in table 5.68 below shows that 527 respondents representing 79.49% are of the view that dominance of Chinese textiles products in Nigeria's markets has affected industries in Nigeria. Secondly 84 respondents representing 12.67% said that, dominance of

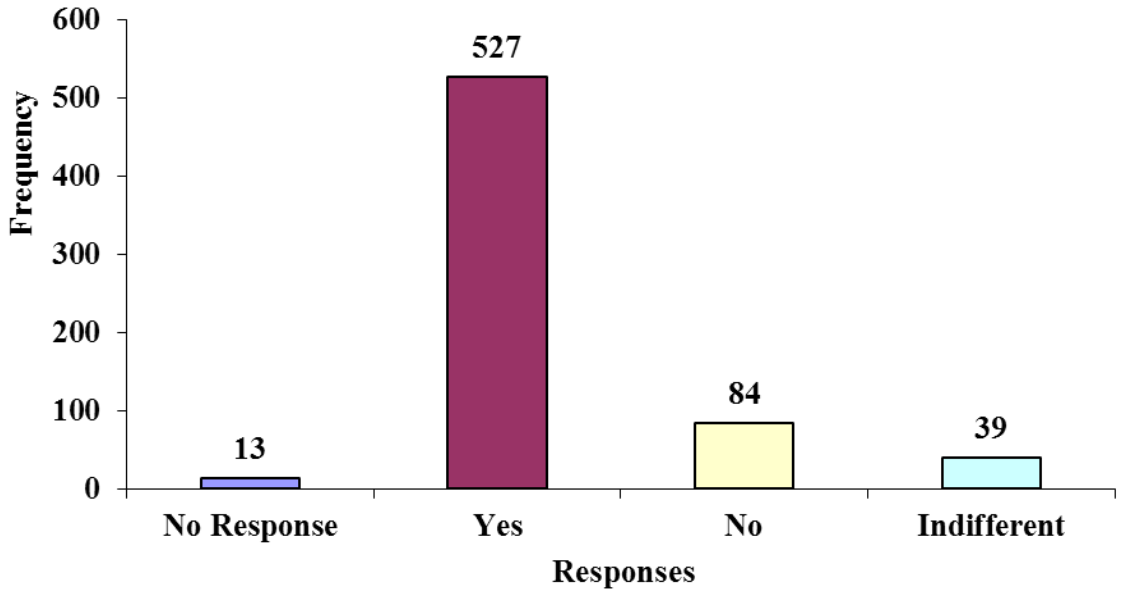
Chinese textiles products in Nigeria's markets does not affect industries in Nigeria while 39 respondents representing 5.88% are indifferent.

Table 5.68: Respondents' view on whether the dominance of Chinese textile products in Nigeria's markets has affected textile industries in Nigeria

Response	Frequency	Percent
No response	13	1.96
Yes	527	79.49
No	84	12.67
Indifferent	39	5.88
Total	663	100.00

Source: Field Survey 2017

Figure 5.68: The Bar Chart Representing Whether The effect of the dominance of Chinese textile products in Nigeria's markets has affected textile industries in Nigeria



Source: Field Report, 2017

Decision rule: A weighted mean score of 2.50 and above was considered as agreed, while a weighted mean score of less than 2.50 was considered as disagreed

Table 5.69 above indicated that the mean response from Tofa textile industry Kano on the dominance of the Chinese textile products in Nigeria's markets has affected textile industries in Nigeria is 3.74 and is higher than that of Nichemtex textile industry which is 3.69.there was a general agreement that dominance of Chinese textile products in Nigeria's markets has affected textile industries in Nigeria.

Table 5.69: The Mean response rate on the Dominance of Chinese textile products in Nigeria's Markets has Affected Textile Industries in Nigeria by Respondents from Tofa and Nichemtex Textile Industries, Nigeria

Industry	Sample Size	Mean Response
Nichemtex	336	3.69
Tofa	327	3.74

Source: Researcher's Survey 2017

Decision rule: if the calculated chi-square test is less than the table value the response is not associated with the textile industry, otherwise, response is associated with the textile industry.

The chi-square Results of table 5.70 with p-value of $\chi^2_{0.05,2} = 5.99$ less than $\chi^2_{cal} = 16.275$ indicated that the responses on the dominance of Chinese textile products in Nigeria's markets has affected textile industries in Nigeria is association with the respondent industry.

Table 5.70: The Chi-Square Result on Association of Industries to responses on the dominance of Chinese textile products in Nigeria's Markets has Affected Textile Industries in Nigeria with expected values in parenthesis

Industry	Yes	indifferent	No	Total
Nichemtex	269 (267.08)	37(26.35)	30(42.57)	336
Tofa	258(259.92)	15(25.65)	54(41.43)	327
Total	527	52	84	663
$\chi^2_{cal} = 16.275$	$\chi^2_{0.05,2} = 5.99$		$DF = 2$	

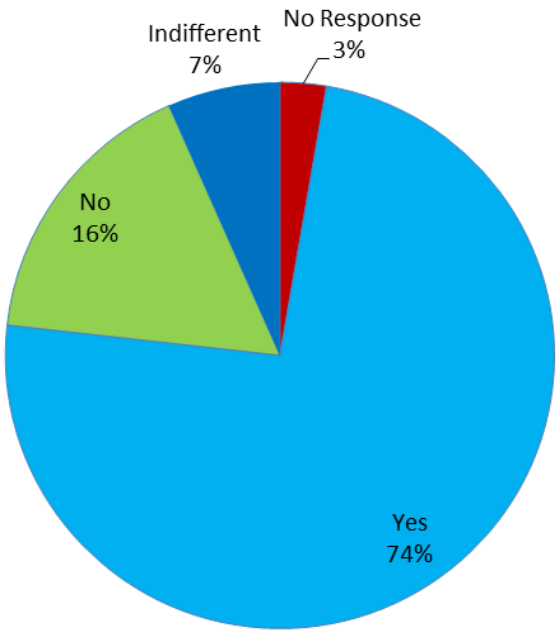
Source: Researcher's Survey 2017

The response in table 5.71 revealed that 491 respondents representing 74.06% said yes, influx of cheap Chinese textile products in Nigeria's markets have affected textile industries in Nigeria, while 110 respondents representing 16.59% said no influx of cheap Chinese textile products in Nigeria's market have not affected textile industries in Nigeria and 44 respondents representing 6.64% are indifferent. The result was also presented as frequency bar chart and percentage pie chart in figure 5.71 and 5.71.1 respectively.

Table 5.71: Respondents' view on the relationship between the influx of cheap Chinese textile products in Nigeria's markets and textile industries in Nigeria.

Response	Frequency	Percent
No Response	18	2.71
Yes	491	74.06
No	110	16.59
Indifferent	44	6.64
Total	663	100.00

Figure 5.71.1: The Pie Chart Representing Whether the influx of cheap Chinese textile products in Nigeria's markets has affected textile industries in Nigeria



Source: Field Report, 2017

Decision rule: A weighted mean score of 2.50 and above was considered as agreed, while a weighted mean score of less than 2.50 was considered as disagreed.

Table 5.72 below indicated that the mean response from Tofa textile industry Kano on the influx of the cheap Chinese textile products in Nigeria's markets has affected textile industries in Nigeria is 3.72 and is higher than that of Nichemtex textile industry which is 3.57. This mean response indicated that influx of cheap Chinese textile products in Nigeria's markets has affected textile industries in Nigeria

Table 5.72: The Mean response rate on the Influx of Cheap Chinese textile products in Nigeria's Markets has Affected Textile Industries in Nigeria by Respondents from Tofa and Nichemtex Textile Industries, Nigeria

Industry	Sample Size	Mean Response
Nichemtex	336	3.57
Tofa	327	3.72

Source: Researcher's Survey 2017

Decision rule: if the calculated chi-square test is less than the table value the response is not associated with the textile industry, otherwise, response is associated with the textile industry.

The chi-square Results of table 5.73 below with $\chi^2_{0.05,2} = 5.99$ less than $\chi^2_{cal} = 28.461$ indicated that the responses on the influx of cheap Chinese textile products in Nigeria's markets has affected textile industries in Nigeria is association with the respondent industry.

Table 5.73: The Chi-Square Result on the relationship between the Influx of of Cheap Chinese Textile Products in Nigeria's Markets has Affected Textile Industries in Nigeria with expected values in parenthesis

Industry	Yes	Indifferent	No	Total
Nichemtex	243 (248.83)	50(31.42)	43(55.75)	336
Tofa	248(242.17)	12(30.58)	67(54.25)	327
Total	491	62	110	663
$\chi^2_{cal} = 28.461$	$\chi^2_{0.05,2} = 5.99$		$DF = 2$	

Source: Researcher's Survey 2017

From table 5.74 below, it was revealed that 148 respondent representing 22.32% said that expiration of multi fiber agreements impacts positively on Nigeria's textile industries, while

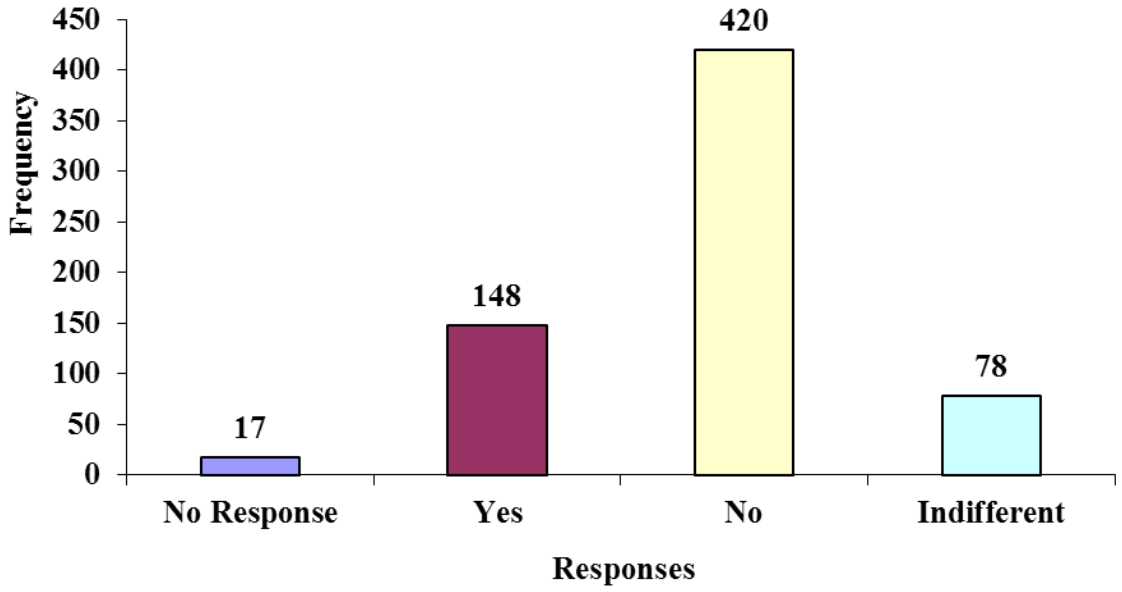
420 of the respondents which represents 63.35% indicated a negative impact of the expiration of the multi-fiber on the Nigeria's textile industries and 78 respondents representing 11.76% are indifferent. The results are presented in figure 5.74 and 5.74.1 as frequency bar chart and percentage pie chart respectively.

Table 5.74: Respondents' view on how the expiration of Multi Fiber Agreements impacts on Nigeria's textile industries.

Response	Frequency	Percent
No response	17	2.56
Positive	148	22.32
Negative	420	63.35
Indifferent	78	11.76
Total	336	100.00

Source: Field Survey 2017

Figure 5.74: The Bar Chart Representing Whether the Expiration of Multi Fiber Agreements Impacted on Nigeria Textile Industries



Source: Field Report, 2017

Decision rule: A weighted mean score of 2.50 and above was considered as agreed, while a weighted mean score of less than 2.50 was considered as disagreed

Table 5.75 below indicated that the mean response from Tofa textile industry Kano on the whether the expiration of multi fiber agreements impacted on Nigeria textile industries is 3.21 and is higher than that of Nichemtex textile industry which is 3.04.

Table 5.75: The Mean response rate on the Whether the Expiration of Multi Fiber Agreements Impacted on Nigeria Textile Industries by Respondents from Tofa and Nichemtex Textile Industries, Nigeria

Industry	Sample Size	Mean Response
Nichemtex	336	3.04
Tofa	327	3.21

Source: Researcher's Survey 2017

Decision rule: if the calculated chi-square test is less than the table value the response is not associated with the textile industry, otherwise, response is associated with the textile industry.

The chi-square Results of table 5.76 with $\chi^2_{0.05,2} = 5.99$ less than $\chi^2_{cal} = 67.963$ indicated that the responses on whether the expiration of multi fiber agreements impacted on Nigeria textile industries is associated with the respondent industry.

Table 5.76: The Chi-Square Result on the relationship between the Expiration of Multi Fiber Agreements and its Impact on Nigeria Textile Industries with expected values in parenthesis

Industry	Positive	indifferent	Negative	Total
Nichemtex	88(83.11)	76(42.57)	172(210.32)	336
Tofa	76(80.76)	8(41.43)	243(204.68)	327
Total	164	84	415	663

$\chi^2_{cal} = 67.963$	$\chi^2_{0.05,2} = 5.99$	$DF = 2$

Source: Researcher's Survey 2017

5.5. Discussion of Research Findings

This section is designed to answer two fundamental questions that constitute the thrust of this study as it relates to the effects of the expiration of multi fibre on Tofa textile industry, Kano and Nichemtex industry, Lagos. The questions are:

i. To what extent has the study achieved the objectives of the research?

ii. To what extent has the assumptions stated provided guidance towards the realization of the above objective?

In order to provide answers to these questions objectively and empirically, attempt would be made to explore the extent to which the stated objectives have been realized. The discussion of the findings shall be disaggregated according to each textile industry before we aggregate them to ascertain if there are similarities and differences in the response of the respondents.

5.5.1: Discussion of Research Findings in Relation to Tofa Textile Limited Kano

The study consists of 251 male respondents representing 76.76%, 69 female respondents representing 21.10% and 7 respondents representing 2.14% who do not disclose their sexes. The majority of the respondents were male, because textile companies are labour intensive. Hence the labour force of the textile industries is dominated by male workers. 76 of the respondents representing 23.24% are between age range of 18 – 25, 71 respondents representing 21.71% are between ages 26-36, 142 respondents representing 43.43% are between ages 36 – 45, 33 respondents representing 10.09% are between ages 45 – 55 and 5 respondents representing 1.53% are between ages 56 and above. In summary, the majority of the staff fall within age 18 – 45 years is a very slight difference in their numbers. The age

category falls within the active labour force who are engaged in some productive activities as at the time of the study in the period under review.

The respondents with primary certificate are 7 representing 2.14%; 97 respondents representing 29.66% with secondary certificates, 205respondents representing 62.69% have tertiary certificates while 17respondents representing 5.20% are of non-formal education. The level of education from response rate of the respondents shows that those with tertiary certificates constituted the majority with 62.69% in the survey. This implies that there is high level of literacy and educational attainment in the study area in the period under review.

Factory workers are 221respondents representing 67.59%, students on I.T. are 76respondents representing 23.24% and securities are 30respondents representing 9.17%. The empirical result show that majority of the respondents are factory workers. The reason was that, the understanding and the effect of the expiration is felt by this category of respondents.

On the understanding of the nature of Multi Fibre Agreement, 219 of the respondents representing 66.97% indicated that they understand the multi fibre agreement as against 95 of the respondents representing 29.05%. 11 of the respondents representing 11.01% indicated that despite the removal of MFA their textile mill was still operating at the maximum level, while 252 of the respondents representing 77.06%) revealed that, due to the removal of the MFA their textile mill were not operating at the maximum level and 5.20% of the respondents were indifferent as regards to the maximum operation of the textile mill. Although, 144 of the respondents representing 45.04% indicated that Tofa textile industry were better off during the MFA period as against 136 of the respondents representing 41.59%. Among 144 respondents that said yes, 6.25% of the respondents said during the MFA period, the period encouraged patronage of domestic products by customers.

The response on the effects of the expiration of MFA, the study revealed that majority of the respondents indicated that there are no benefits which Nigeria textile industries derive from the policy with 264 respondents representing 80.73% indicating that Tofa textile industry have not derived any benefit from WTO liberalization policy and 33 respondents representing 10.10% reported that Tofa textile industry has benefitted from the WTO liberalization policy; 33 of the response rate from the respondents said yes, Tofa textile industry derived benefits from WTO liberalization policy. one of them representing 3.03% is of the opinion that the benefits could be from borrowing and proper counseling towards smooth operation; secondly 4 respondents representing 12.12% indicated that the benefits originates from production, coordination and provision of education and source of more funds. Also, 10 respondents representing 30.30% of the respondents indicated that they derive benefit from information and communication of policies on textile materials i.e. it can encourage export. On the other hand, 3.03% of the respondents revealed that they benefited from the advertisement of products outside the market. Again the result of the findings show that 21.21% of respondents use the policies to take advantage in the market and finally 3.03% responded by saying they benefitted because the policies are favourable as it enhances their capacity in textiles.

The study also revealed that, 228 respondents representing 69.73% indicated that, the adoption of WTO trade rules and policies following the expiration of MFA has affected textile industries in Nigeria while 74 respondents representing 22.63% did not agree with such views.

Also, 247 respondents representing 75.53% of the respondents associated the near collapse of Nigeria's textile industries to liberalization policies after the expiration of MFA against 67(20.49%) who said, no. Findings also revealed that 240respondents representing 73.40% are of the opinion that inadequate domestic demands and low patronage which are internal

factors are rather the causes of collapse of Nigeria's textile industries based on 66 respondents representing 20.18%.

On the issue of massive influx of foreign firms into the textile markets in Nigeria, 275respondents representing 85.10% responded that firms are surviving fairly, 7respondents representing 2.14% said, it is tough for them while 13respondents representing 3.97% are indifferent. From the response rate, it is observed that majority are of the opinion that firms' survival is just fair but not good enough. This is because these firms face a number of competitions with other industries in developed nations where most products are imported into Nigeria.

In line with these findings, 253respondents representing 77.37% indicated that, firms are presently operating at comparatively disadvantaged position against 57respondents representing 17.43% who opined that firms are not operating at comparatively disadvantaged position. This is a further indication that massive influx of foreign firms into the textile market in Nigeria has put Nigeria textile industries in a condition of comparatively disadvantaged

position. About 252 respondents representing 77.06% indicated yes, the elimination of quota and restriction on exports and imports will affect textile industries in Nigeria against 61respondents representing 18.65% that say no. Again, 258respondents representing 78.90% say yes, the dominance of Chinese textile products in Nigeria markets have affected textile industries in Nigeria 248 respondents representing 75.84% indicated the influx of cheap Chinese textile products in Nigeria markets to be of significant effect to textile industries in Nigeria. In addition, 246 respondents representing 75.23% strongly agreed that the MFA quota removal has given China global supremacy and dominance over textile production and exports across the world but 69 respondents representing 21.10% said no. Furthermore, phasing out of MFA provided greater opportunity for Chinese textile industries as in road into

Nigeria's textile markets while, 62 respondents representing 18.96% of the respondents strongly disagreed. However, it can be concluded that dominance of Chinese textile products and cheapness of their products in Nigeria markets are as a result of phase out of the multi-fibre agreement and it is of negative consequences.

The implication of this response is that textile industries, due to these factors could not contribute to the economy of Nigeria either through the generation of foreign earnings or contributing to employment generation.

The data has also identified some of the challenges facing textile industries in Nigeria as shown by the response rate which indicates that 36.09% of the respondents are of the opinion that, inadequate electricity supply is a major challenge constraining the effective functioning of the textile industries. 9.48% of the respondents revealed that lack of patronage of local goods, because there is high rate of smuggling of Chinese materials, 0.31% of the respondents have indicated that high cost of transportation is a challenge. In addition to some the challenges, the findings also revealed that 0.31% of the respondents said bureaucratic bottle necks was a challenge, 25.16% of the respondents also said that importation, increase in high purchase of foreign materials. Furthermore, Some of the respondents representing 5.50% indicates financial constraint as a problem facing textile industries in Nigeria, 11.00% of the respondents identified bad government policies/negligence of government as a major challenge facing textile industries in Nigeria, also, 5.89% of the respondents vote for lack of domestic textile materials/raw materials has their challenge while 1.53% of the respondents indicates problem of insecurity as a major challenge. In addition, 0.92% of the respondents identifies bad activities of customs as a problem facing textile industries in Nigeria and 3.67% of the respondents reveals that poor/lack of infrastructure such as use of outdated machines in the industries for production is a challenge facing textile industries in Nigeria.

The implication of these challenges for this study is that, it is apparent that, contrary to other studies that liberalization policy of the WTO is responsible for the collapse of Nigeria's textile industries, this study has clearly shown that the collapse of Nigeria Textile industries could be largely traced to internal factors as mentioned by respondents and stated above. This informed the suggestions by some respondents that government should play major and decisive role in providing solutions to the challenges confronting textile industries in Nigeria.

Secondly, 18.75% of the respondents said during MFA period, there was low import and so there were small amount of foreign materials in our domestic markets; The response rate indicated that 9.03% of the respondents said importation of Chinese materials was very low; 3.47% of the respondent were of the view that government levies was very low and presence of good government policies led to good economic growth; 2.08% of the response rate said the period was characterized by scarcity of foreign materials, thereby encouraging quick sales of our domestic products. From the response rate of the respondents, 2.78% indicated that during MFA period 90% of the product was domestic and local production was high; 12.50% said output during MFA period was better and enough, this made it easy to encourage employment and job creation; 3.47% of the respondents said there was adequate security during the MFA period; 2.78% were of the view that during the MFA period, raw materials were available; while 2.08% of the respondents responded by saying that there was no smuggling, and lastly 0.70% of the respondents said there was presence of competition.

The findings on the level of capacity of the utilization of mills during the post MFA period indicated, 60% capacity utilization of mills was reported by 20 of the respondents representing 6.12%, 19.27% of the respondents revealed that there was 100% capacity utilization of mills, 5.28% of the respondents indicated that the capacity utilization of mills is satisfactory, 3.05% of the respondents are of the opinion that there was 70% capacity

utilization and 8.25% of the respondents revealed that there is 90% capacity utilization of firms during the MFA period.

The findings also shows that 5.89% of the respondents indicates that they had 99% capacity utilization of their mill during the post multi-fibre agreement period, 2.75% of respondent had 85% capacity utilization, 2.45% of the respondent said they had 93% capacity utilization, 1.22% of the respondents said that they had 50% capacity utilization, 3.98% of the respondents had 65% capacity utilization, 6.73% of the respondents indicates 80% capacity utilization, 2.14% of the respondents indicates that they had good utilization of their mill during the post multi-fibre agreement, 0.31% of the respondents said that they had 87% capacity utilization of their mill during the post multi-fibre agreement, and 0.92% of the respondents indicates 95% capacity utilization of the firms in the post multi-fibre agreement period.

The impact of the expiration of multi-fibre agreements on Nigeria textile industries was negative with 243 of the respondents representing 75.31% indicated negative impact against 76 of the respondents 23.24% who revealed that the impact of expiration of the multi-fibre agreements on Nigeria textile industries was positive. On the impact of the elimination of multi fibre agreements on Nigeria textile industries 248 of the respondents representing 75.84% indicated that the elimination of multi-fibre agreements on textile industries is negative against 60(18.35%) that said it was positive.

From the foregoing, it is apparent that the findings of Tofa textile industry are to a large extent similar to the findings of Nichemtex textile industry conducted for the Mphil.

On the possible solutions to the challenges of Nigerian textile industries, 37.61% of the respondents suggested that there is need for the provision of adequate security, 9.48% of the respondents suggested that the need for patronage of local domestic goods, and the

desirability to monitor and prevent smuggled goods into our domestic markets. On the other hand, 0.31% of the respondents opined that there is the need to reduce high cost of transport, 0.31% indicated that there should be quick and speedy government activities to revamp the economy. 23.85% of the respondents suggested that, importation of foreign textile products should be suspended, 5.20% of the respondents also suggested the need for the provision of more capital to improve and increase domestic output in the economy. Again, 10.40% of the respondents suggested that, there should be favourable and good government policies and support. Although 5.89% of the respondents opined that there is need to make available textile goods and raw materials in the economy, 1.53.%, 0.92% and 3.97% of the respondents suggested the need for provision of adequate security (to merge with 37.61%), prevention of bad activities of customs and provision of adequate and efficient technological infrastructure respectively that is, use of updated machines.

5.5.2: Discussion of Research Findings in Relation to Nichemtex Textile Limited Ikorodu Lagos

The findings reveal that majority of the respondents show that the age category between 26 – 35 years constitutes 32.14%. The age category falls within the active labour force who are engaged in some productive activities as at the time of study in the period under review.

It can be deduced from the findings that 61.31% of the respondents revealed that majority of the response were obtained from male respondents. Reasons for this could be advanced to a situation where the industrial textile companies are labour intensive. Hence, the labour force of the textile industries is dominated by male workers.

The empirical findings revealed that 59.23% of those married participated more in the survey. It was observed that majority of the responses of age category were between 26 and 35 years. The age bracket falls within the active age that is productive.

Although the level of education from the response rate of the respondents shows that those that have attained education at the tertiary level constituted a majority with 64.88% in the survey. This implies that there is high level of literacy and educational attainment in the study area in the period under review.

The occupation of the respondents reveals that there were factory workers and shareholders. The empirical result shows that 68.88% of the respondents were factory workers. This indicates the fact that the study is industrial based.

As regards to the respondents understanding of the nature of MFA, 65.18% of the respondents are knowledgeable about the policy. The knowledge of the MFA was high and significant in the area of the study in the period under review. Following the knowledge, the empirical study found that 32.44% indicated that Nigeria's textile industries benefitted from the MFA. Although the percentage is not high enough, it was also identified from the findings that 51.78% are of the opinion that the textile industries could derive benefits from the expiration of the MFA.

The respondents gave different opinion as regards to their views on the effects of the nature of the MFA on textile industries. In their view, they indicated that the policy ensures that goods are produced; it enables competitiveness and regularize production. Secondly, the policy enabled free flow of import and export of textile materials and market access. And lastly, it makes Nigerian textile products more favourable, available and affordable to encourage patronage. This implies that respondents were able to identify that there were benefits. Although 81.85% of the respondents did not respond because they are not aware of the benefits Nigerian textile industries could derive from the trade liberalization policy.

The findings of the study also suggest that 43.16% of the respondents indicated that the near collapse of Nigeria's textile industry is related to the WTO liberalization policy. This implies

that there is a link between the near collapse of the Nigeria's textile industry and the WTO liberalization policy indicating that the policy led to the near collapse of textile industry in Nigeria.

The knowledge of Multi-Fibre Agreement shows that 62.8% of the respondents were knowledgeable. This implies that there is high understanding of the concept of multi-fibre agreement among people in the textile industry and it is significant.

It was clear from the study, that 76.49% of the respondents are of the view that the elimination of quota and restrictions on exports and imports affected textile industries in Nigeria. It is important to note that 80.06% of respondents suggested that the dominance of Chinese textile products in Nigeria's markets have affected textile industries in Nigeria. The implication is that dominance of these Chinese textile products will weaken the growth in output of textile products. And it will also hinder the growth of textile industries. As a result, the shock will in turn affect productivity and sales of Nigeria's textile products.

From the forgoing, the dominance of these Chinese products into the Nigerian market following the expiration of the MFA led to the influx and inflow of Chinese products in Nigeria. The response rate empirically shows that 72.32% of the respondents opined that the textile industries in Nigeria have been affected by the influx of Cheap Chinese materials in the Nigerian market.

On the view of respondents regarding the impact of the expiration of multi fibre agreements on Nigeria's textile industries. The findings reveal that 51.19% of the response rate indicates that the expiration of the multi fibre agreement has negative impact on textile industries in Nigeria. The negative impact can arise from challenges encountered as it was identified from one of the respondents interviewed. He said "we don't have the necessary framework in

terms of law, and institutions. Secondly, Nigeria has the problem of porous borders which are numerous and is compounded by corruption and so many vices".

5.5.3 Aggregate Discussion of Research findings in relation to both Tofa and Nichemtex Textile Industries, Nigeria

The overriding purpose of this study was to examine the effects of the expiration of the multi-fibre agreement on Nichemtex limited Ikorodu Lagos and Tofa textile limited Kano; 2001-2015. In order to achieve the objectives, in-depth interview, focus group discussion and questionnaire were employed. The study consists of 457 male respondents representing 68.93%, 194 female respondents representing 29.26% and 12 respondents representing 1.81% who do not disclose their sexes. The majority of the respondents were male, the reason is being that, textile companies are labour intensive that requires physical energy. Hence the labour force of the textile industries is dominated by male workers.

142 of the respondents representing 21.42% are between ages 18 – 25, 179 of the respondents representing 27% are between ages 26-36, 231of the respondents representing 34.84% are between ages 36 – 45, 72of the respondents representing 10.86 are between ages 45 – 55 and 34 of the respondents representing 5.13% are between ages 56 and above. In summary the majority of the staff fall within age 18 – 45. The age range falls within the active labour force who are engaged in some productive activities as at the time of the study in the period under review.

The respondents with primary certificate are 14 in number representing 2.11%, 184of the respondents representing 27.75% have secondary certificates, 423of the respondents representing 63.80 have tertiary certificates while 36of the respondents representing 5.43% are of non-formal education. The level of education from response rate of the respondents

showed that those with tertiary certificates constituted a majority with 64.8% in the survey. This implies that there is high level of literacy and educational attainment in the study area in the period under review.

Factory workers are 454 in number representing 68.47%, shareholders are 41 in number representing 6.18%, students are 76 in number representing 11.46% and securities are 30 in number representing 4.52%. The empirical result show that majority of the respondents are factory workers. The reason was that, the understanding and the effect of the expiration is felt by these categories of respondents.

The response on the nature and benefits the Nigerian textile industries could derive from WTO liberalization policy during the MFA revealed that majority of the respondents said that both Tofa and Nichemtex textile industries have not benefitted from the policy with 324 of the respondents representing 48.87% indicating no benefit derived from liberalization policy and 236 of the respondents representing 35.60% saying there was benefit Nigeria textile industries derived from the liberalization policy. The results from Tofa limited Kano revealed that majority of respondents of about 264 representing 80.73% out of the sample of 327 said no, Nigeria textile industries did not derive any benefits from WTO liberalization policy while in Nichemtex limited 60 of the respondents representing 17.86% indicated no benefit could be derived from the liberalization policy. In addition, 253of the respondents representing 38.16% said Nigeria never benefited from the liberalization policy against 236of the respondents representing 35.60% that say yes, out of the 663 respondents.

On the effects of the expiration of the MFA on textile industries in Nigeria, 392 of the respondents representing 59.13% of the respondents associated the near collapse of Nigeria's textile industries to liberalization policies following the expiration of the MFA, against 129 of the respondents representing 19.46% who said no, and reiterated that the near collapse may

be

due to other internal factors. 76.77% of the respondents indicated yes ,the elimination of quotas and restriction on exports and imports affects textile industries in Nigeria against 93of the respondents representing 14.03% that said that, the elimination of quotas and restriction on exports and imports did not affect textile industries in Nigeria. Again, 527of the respondents representing 79.49% said; yes, the dominance of Chinese textile products in Nigeria markets have affected textile industries in Nigeria and 491of the respondents representing 74.06% indicated the influx of cheap Chinese textile products in Nigeria markets of significant effect to textile industries in Nigeria.

The effects of the expiration of multi-fibre agreements on Nigeria textile industries was negative with overwhelming 420 of the respondents representing 63.35% indicating that, there was a negative effects of the expiration of multi-fiber agreements on Nigeria textile industries against 148 of the respondents representing 22.32% that said there was a positive benefit of the expiration of multi-fibre agreement. This was buttressed by the trend of the production and sales which indicated a downward slope from 2001 to 2015. Also, the negative effects can arise from challenges encountered as it was identified from one of the respondents interviewed who said “we don’t have necessary framework in terms of law, and institutions. Secondly, Nigeria has the problem of porous borders which are numerous and is compounded by corruption and so many vices.

This findingis divergent to the neo-liberalism theory by John Williamson’s Washington Consensus which states that the less developed countries' government must aim at increasing the trade ratio by opening the economy and reducingthe extent of government intervention in the market so as to attain development but with government playing minimal but key roles.

This implies that the state should assume a highly minimal and purely regulatory form and should refrain from most forms of economic intervention, even in the face of market mechanism leading to reduced economic efficiency. (Thorsen 2009; Howlett, Alex and Ramesh 1999;; Cordato 1980; von Hayek 1979). The ability of the Nigerian government to open up the economy and removing all restrictions without playing a corresponding roles of regulating the economy and providing the necessary framework is largely responsible for the failure or collapse of textile industries in Nigeria as the study has shown.

Finally, the results of the mean response were in favour of Tofa limited, Kano with the highest mean response to the questions on the effects of the multi-fibre agreement. This was further strengthened by the chi-square results that the responses on the effects depends on the industry of the respondent. The implication of these results is that, the effects were much in Kano than in Lagos. This may be due to the fact that, the production of finished products is the emphasis and focus of Tofa textile industry Kano than in Lagos. Tofa textile industry is not so diversified in its production by specialization in the manufacturing of finished products unlike Nichemtex that diversified by going into both intermediary and finished products. Another reason is the location of the industry.

5.6: Testing research hypothesis to research findings of Tofa textile limited Kano

This section relates the assumptions to the data generated at Tofa textile limited Kano.

HypothesisOne

There is a significant relationship between the implementation of the expiration of the Multi Fibre Agreement (MFA) and the loss of potential export earnings for Nigeria from the textile industries.

The findings go further to confirm this hypothesis. Although the result of the findings reveals that 264 representing 80.73% of the respondents state that Nigerian textile industries did not benefit against 10.10% who indicate that the textile industries benefitted (see table 5.11). On the other hand it has been revealed that among the respondents who said yes they benefitted from; only 10 out of 264 representing 30.30% has symmetry on information and communication derived regarding policies as they relate to textile and clothing materials under multi-fibre liberalization guidelines. However, it is not significant enough to encourage commercial export. The implication is that asymmetry of information is likely to lead to information and communication gap, and thus affect export growth and earnings. In order to support this assumption, the chi-square test was introduced in order to verify this assumption.

Table 5.77: Cross tabulation on Nigeria's textile industries that have benefitted from the WTO liberalization policy versus the textile mill operated at maximum level prior to the removal

Response	No response	Yes	No	Indifferent	Total
Yes	10(3.06%)	20(6.12%)	92(28.13%)	5(1.53%)	127(38.84%)
No	12(3.67%)	13(3.98%)	139(42.52%)	10(3.06%)	174(53.21%)
Indifferent	0(0.00%)	3(0.91%)	21(6.42%)	2(0.61%)	26(7.95%)
Total	**22(6.73%)**	**36(11.01%)**	**252(77.06%)**	**17(5.20%)**	**327(100%)**

Source: Researcher's Survey 2017

The empirical findings show that 6.12% of the response rate indicates that Tofa textile industry has benefitted from the WTO liberalization policy and also the textile mill operated at maximum level prior to the removal. The findings also reveal that 28.13% of the response rates on how their textile mills benefitted from the WTO liberalization but the textile mill were not operating at the maximum level prior to the removal of MFA. Although 1.6% of the empirical findings show that the opinion of respondents indicate that they were indifferent as regards to if the textile mill was operating at maximum level prior to the removal of MFA

although they indicated that the textile industries have benefitted from the WTO trade liberalization policy.

Secondly, the findings showed the respondents opinion that only 3.98% indicated that textile industries did not benefit from the WTO liberalization policy but the textile mill was operating at the maximum level prior to the removal of MFA. On the other hand, the result revealed that 42.52% of the respondents indicated that Nigeria's textile industries did not benefit from the WTO liberalization policy and the textile mill were not operating at the maximum level prior to the removal of MFA. Although 3.06% of response rate indicated that the textile mill did not benefit from the liberalization policy, they were also indifferent that prior to the removal of MFA, the textile mill was not operating at maximum level. Finally, the result of the empirical findings shows that 0.61% of the responses were indifferent as regards to the situation of whether Nigeria's textile industries benefitted from the WTO liberalization and prior to the MFA period if the textile mill was operating at the maximum level.

Table 5.78: Chi-square result on Nigeria's textile industries have benefitted from the WTO liberalization policy versus the textile mill operated at maximum level prior to the removal

Response	**Yes**	**No**	**Indifferent**	**Total**
Yes	20(13.98)	92(97.87)	15(15.15)	127
No	13(19.16)	139(134.09)	22(20.75)	174
Indifferent	3(2.86)	21(20.04)	2(3.10)	26
Total	**36**	**252**	**39**	**327**
$\chi^2_{cal} = 5.621,\ \chi^2_{0.05,4} = 9.49$		**DF=4**		

Source: Researcher's Survey 2017

From table 5.78 above, the chi-square test revealed that $\chi^2_{cal} = 5.621$ **is less than** $\chi^2_{0.05,4} = 9.49$. Therefore we conclude that the implementation of the expiration of the multi fibre

agreement has to a significant extent led to a loss of potential export earnings for Nigeria from the textile industries.

To further strengthen the findings, some secondary data was collected to show the trend of analysis of production and sales of textile products from Tofa limited Kano from 2001-2015. Below is the data on production and sales

Table 5.79 below revealed a staggering trend in the production and sales records of Tofa textile industry. The figure keeps oscillating from 2001 but later increased and later dropped which continued up to 2015. This can be represented in a bar and pie chart below.

The figure 5.79 and 5.79.1 below showed the trend of production and sales of textile materials in Tofa limited Kano. It was observed that the trends of production and sales have been oscillating.

Table 5.79: Production and sales record of Tofa Textile Limited, Kano, 2001– 2015

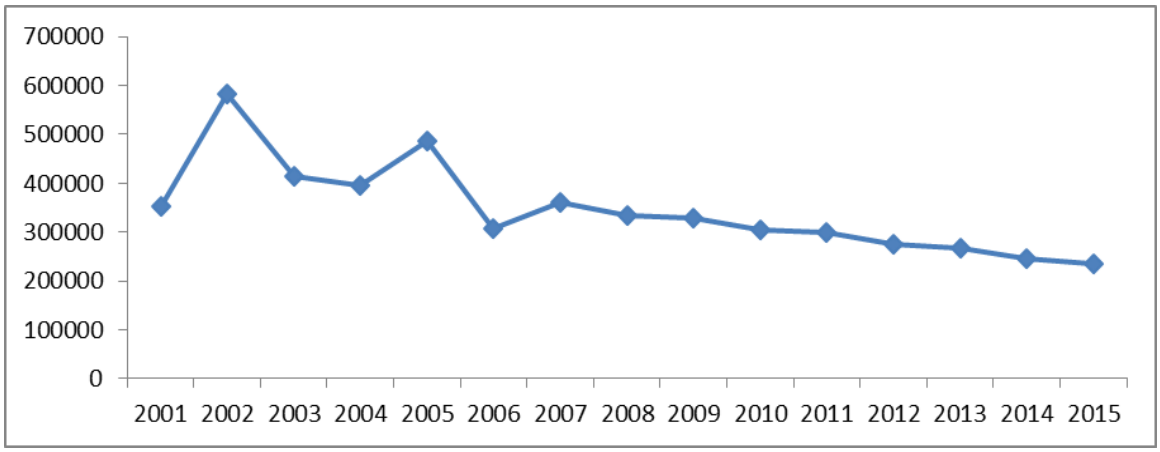
Year	Textile Production(Mts.)	Sales(Naira)
2001	352729	108376889
2002	582314	95276334
2003	415169	118421969
2004	396512	103716045
2005	485168	128467049
2006	308286	112155757
2007	359733	138512130
2008	335110	120595468
2009	328903	148557210
2010	305105	7084312
2011	298073	131845848
2012	275099	90542300
2013	267243	85276472
2014	245094	97963637

2015	236413	60815190

Source: Field Report 2017

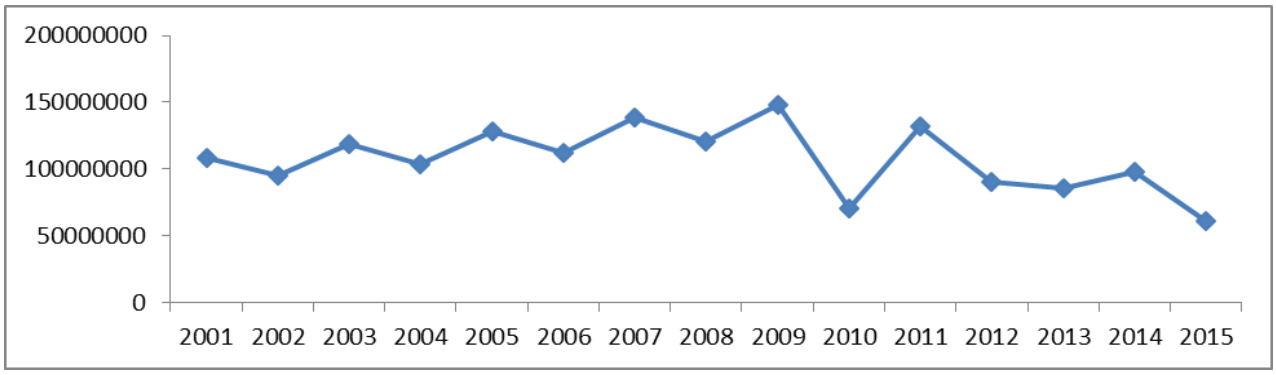
The table above is also shown to demonstrate the trend of production record of Tofa textile industry.

Figure 5.79: Trend representation of the production record of Tofa Textile Limited, Kano, 2001 - 2015



Source: Field Report 2017

Table 5.79.1: Trend representation of the sales record of Tofa Textile Limited Kano, 2001 – 2015



Source: Field Report 2017

Hypothesis two

There is no relationship between eliminating quota and the consolidation of production into larger textile industry in Nigeria and a smaller number of supplying countries.

The result in table 5.24 show that 75.23% strongly agreed that the multi fibre agreement (MFA) quota removal has given developed economies such as China a global supremacy and dominance over textile production and imports across the world.

A respondent interviewed said: It enabled influx of cheap foreign materials into the country.

Another respondent said, "the foreign goods are cheaper than what we are producing here. So nobody will buy what we are producing. Federal Government doesn't use to buy from us again due to availability of foreign goods".

The study by Kaman (2005) corroborated this findings that the gains from the elimination of quotas in garment trade would accrue mainly to large Asian producers that were better positioned in the value chain.

Table 5.80: Cross tabulation on firms operation at a comparatively disadvantaged position versus the elimination of quota and restrictions on exports and imports affected textile industries in Nigeria

Response	No response	Yes	No	Indifferent	Total
No Response	3(0.92%)	4(1.22%)	3(0.92)	1(0.31%)	11(3.37%)
Yes	0(0.00%)	231(70.64%)	16(4.89%)	7(2.14%)	254(77.67%
No	0(0.00%)	10(3.06%)	42(12.84%)	4(1.22%)	56(17.12%)
Indifferent	0(0.00%)	6(1.84%)	0(0.00%)	0(0.00%)	6(1.84%)
Total	**3(0.92%)**	**251(76.76%)**	**61(18.65%)**	**12(3.67%)**	**327(100%)**

Source: Researcher's Survey 2017

The cross tabulation in table 5.80 reveals how the elimination of quotas and restrictions on exports and imports affected textile industries in Nigeria. The empirical result of the findings suggests that 77.67% of the response rate opined that firms were operating at a comparatively disadvantaged position as well as revealed that the elimination of quotas and restrictions on exports and imports affected textile industries in Nigeria. Although 4.89% suggested that the firms were operating at a comparatively disadvantaged position but indicated that the elimination of quotas and restriction on exports and imports did not affect textile industries in Nigeria. On the contrary, 2.14% opined that the firms were operating at a comparatively disadvantaged position, and they were also indifferent as regards to whether the elimination of quotas and restrictions on exports affected textile industries in Nigeria.

Secondly the empirical findings shows that 3.06% of the respondents were of the view that the firm was not operating at a comparatively disadvantaged position but on the other hand that the elimination of quotas and restrictions on exports and imports affected textile industries in Nigeria. The findings show that 12.84% were of the opinion that the firm was operating at a comparatively disadvantaged position, and at the same time revealing that the elimination of quotas and restrictions on exports and imports affected textile industries in Nigeria.

Lastly, the empirical findings show that 1.22% of the response reveal that the respondents were indifferent in regards to firm operating at a comparatively disadvantaged position and as well opined that the elimination of quotas and restrictions on exports did not affect textile industries in Nigeria.

Table 5.81: Chi-square result on firms operation at a comparatively disadvantaged position versus the elimination of quotas and restrictions on exports and imports affected textile industries in Nigeria

Response	Yes	No	Indifferent	Total
Yes	231(194.97)	16(47.38)	7(11.65)	254
No	10(42.98)	42(10.45)	4(2.57)	56
Indifferent	10(13.05)	3(3.17)	4(0.78)	17
Total	**251**	**61**	**15**	**327**
$\chi^2_{cal} = 164.74,\ \chi^2_{0.05,4} = 9.49$		**DF=4**		

From the above chi-square test it shows that $\chi^2_{cal} = 164.74$ is greater than $\chi^2_{0.05,4} = 9.49$ we therefore conclude that the elimination of quota will likely not consolidate production into larger textile industries in Nigeria and a smaller number of supplying countries.

HypothesisThree

Tofa textile industry fared much better in the quota free regime than it was when they were constrained by the multi fibre agreement (MFA).

Table 5.82: Cross tabulation on the benefits of WTO's trade liberalization, the elimination of quotas and restrictions on exports and imports on textile industries in Nigeria

Response	No response	Yes	No	Indifferent	Total
Yes	1(0.31%)	22(6.73%)	4(1.22%)	6(1.83%)	33(10.09%)
No	1(0.31%)	205(62.69%)	55(16.81%)	3(0.92%)	264(80.73%)
Indifferent	0(0.00%)	25(7.64%)	2(0.62%)	3(0.92%)	30(9.18%)
Total	**2(0.62%)**	**252(77.06%)**	**61(18.65.%)**	**12(3.67%)**	**327(100%)**

Source: Researcher's Survey 2017

Table 5.82 above show the empirical findings, which reveal the degree of interdependence and relationship between the benefits textile industries derived from WTO's trade

liberalization and how the elimination of quotas and restrictions on exports and import affects Tofa textile industry, Kano.

The findings reveals that 6.73% indicated that textile industries derived benefits from WTO's trade liberalization and as well shows that the elimination of quotas and restrictions on exports and imports affected textile industries in Nigeria. Similarly, 1.22% and 1.83% of the responses indicated that there were benefits textile industries could derive from WTO liberalization policy but indicated that the elimination of quotas and restrictions on exports and imports did not affect textile industries in Nigeria and also remained indifferent that the elimination of quotas and restrictions on exports and imports affected textile industries in Nigeria respectively.

Secondly, the findings show that 62.69% indicates that elimination of quotas and restrictions on exports and imports affects textile industries in Nigeria and that textile industries could not derive any benefit from trade liberalization; 16.81% indicates that elimination of quotas and restrictions on exports and imports does not affects textile industries in Nigeria but that textile industries do not derive any benefit from WTO's trade liberalization while 0.92% of the respondents are indifferent whether textile industries derive any benefit from WTO's trade liberalization policy but indicated that the elimination of quotas and restrictions on exports and imports affected textile industries in Nigeria. The elimination of quotas and restrictions on exports and imports did not affect textile industries in Nigeria and were indifferent on whether the elimination of quotas and restrictions on exports and imports affected textile industries in Nigeria respectively.

Lastly, 7.64% of the respondents were indifferent to the benefits textile industries could derive from WTO's trade liberalization but indicated that the elimination of quotas and restrictions on exports and imports affected textile industries in Nigeria; 0.62% of the

respondents were indifferent to the benefits textile industries could derive from WTO's trade liberalization but indicated that the elimination of quotas and restrictions on exports and imports does not affected textile industries in Nigeria while 0.92%,of the respondents suggested that the respondents were indifferent if textile industries could derive benefit from WTO's trade liberalization and if elimination of quota and restrictions on exports and imports affected textile industries in Nigeria

Table 5.83: chi-square results on the effects of WTO's trade liberalization versus the elimination of quotas and restrictions on exports and imports on textile industries in Nigeria

Response	**Yes**	**No**	**Indifferent**	**Total**
Yes	22(25.43)	4(6.16)	7(1.41)	33
No	205((203.45)	55(49.25)	4(11.30)	264
Indifferent	25(23.12)	2(5.60)	3(1.28)	30
Total	**252**	**61**	**14**	**327**

$\boldsymbol{\chi^2_{cal} = 33.47,\ \chi^2_{0.05,4} = 9.49}$ **DF=4**

Source: Researcher's Survey 2017

The chi-square test goes further to confirm this assumption. The test reveals that the $\boldsymbol{\chi^2_{cal} = 33.47}$ is greater than $\boldsymbol{\chi^2_{0.05,4} = 9.49}$. This further proves the adequacy of the result that we conclude that Nigeria's textile industries did not fare much better in the quota free regime.

Hypothesis four

There is a significant relationship between theprocess of trade liberalization through the phasing out of quotas and the efficiency levels of Nigeria's textile industries.

Table 5.22 reflects the impact of the phase-out of the multi fibre agreement (MFA) on the efficiency levels of textile industries in Nigeria. The result shows that 75.31% of the

respondents say that the phasing-out of the quotas had negative impact on the textile industries in Nigeria.

A respondent interviewed said, “as I have told you before all we need in Nigeria we don’t care about quality, just flashy goods at cheap prices”

Table 5.84: cross tabulation on the firm was better off during the MFA period versus the phase-out of the multi-fibre agreements (MFA) impacts on the textile industries in Nigeria

Response	No Response	Positive	Negative	Total
No Response	2(0.62%)	3(0.92%)	7(2.14%)	12(3.67%)
Yes	1(0.31%)	12(3.37%)	131(40.06%)	144(44.04%)
No	1(0.31%)	56(17.12%)	79(24.16%)	136(41.59%)
Indifferent	2(1.62%)	7(2.14%)	26(7.95%)	35(10.70%)
Total	**6(1.86%)**	**78(23.55%)**	**243(74.31%)**	**327(100%)**

Source: Researcher’s Survey 2017

Table 5.84 shows the result of the empirical findings. The table shows that 3.37% and 40.06% opined that their firm was better off during the MFA period and indicated that the phase out of the multi-fibre agreements had positive and negative impacts respectively. Secondly, the findings also reveal that 17.12% and 24.16% of the respondents from showed that firms were not better off during the MFA period but opined that the phase out of the multi-fibre agreements had positive and negative impacts on their textile industry respectively. Lastly 2.14% and 7.95% from the responses were indifferent that the firms were better off during the MFA period but suggested that the phase out of the multi-fibre agreements had positive and negative impacts on their textile industry.

Table 5.85: Chi-Square result on the firm was better off during the MFA period versus the phase-out of the Multi-Fibre Agreements (MFA) impacts on the textile industries in Nigeria

Response	Indifferent	Positive	Negative	Total
Yes	1(2.64)	12(34.35)	131(107.01)	144
No	1(2.50)	56(32.44)	79(101.06)	136
Indifferent	4(0.86)	10(11.21)	33(34.93)	47
Total	**6**	**78**	**243**	**327**

$\chi^2_{cal} = 55.416,\ \chi^2_{0.05,4} = 9.49$ **DF=4**

Source: Researcher's Survey 2017

The chi-square test reveals that $\chi^2_{cal} = 55.416$ is greater than $\chi^2_{0.05,4} = 9.49$; we therefore conclude that the process of trade liberalization through the phasing out of quotas did have negative effects on the efficiency levels of Nigeria's textile industries.

Table 5.86: Cross tabulation on Nigeria textile industries have benefitted from the WTO liberalization policy versus the phase-out of the Multi-Fibre Agreements (MFA) impacts on the textile industries in Nigeria

Response	No response	Positive	Negative	Total
Yes	8(2.45%)	35(10.70%)	84(25.69%)	127(38.84%)
No	0(0%)	37(11.01%)	137(41.90%)	174(53.21%)
Indifferent	0(0%)	6(1.53%)	20(6.12%)	26(7.95%)
Total	**8(2.45%)**	**78(23.24%)**	**241(73.71%)**	**327(100%)**

Source: Researcher's Survey 2017

Table 5.86 above reveal **t**he empirical findings that 10.70% and 25.69% opined that textile industries have benefitted from the WTO liberalization policy, although the phase out of the multi-fibre agreements had positive and negative impacts on their textile industry. Secondly,

the empirical result suggest that 11.01% and 41.90% are of the opinion that Nigeria's textile industries did not benefit from the WTO liberalization policy, and the phase out of the multi-fibre agreements had positive and negative impacts on their textile industry. Lastly, the findings shows that the responses of the respondents showed that 1.53% were indifferent on the benefits Nigeria's textile industries can get from the WTO trade liberalization policy and in their view 6.12% indicated that the phase out of the multi-fibre agreements had positive and negative impacts on their textile industry

Table 5.87: Chi-Square result on Nigeria textile industries have benefitted from the WTO liberalization policy versus the phase-out of the Multi-Fibre Agreements (MFA) impacts on the textile industries in Nigeria

Response	**Positive**	**Negative**	**Indifferent**	**Total**
Yes	35(30.29)	84(93.60)	8(3.11)	127
No	37(41.50)	137(128.24)	0(4.26)	174
Indifferent	6(6.20)	20(19.16)	0(0.64)	26
Total	**78**	**241**	**8**	**327**

$\boldsymbol{\chi^2_{cal} = 15.445,\ \chi^2_{0.05,4} = 9.49}$ **DF=4**

Source: Researcher's Survey 2017

The chi-square test reveals that $\boldsymbol{\chi^2_{cal} = 15.445}$ is greater than $\boldsymbol{\chi^2_{0.05,4} = 9.49}$ we therefore conclude that the process of trade liberalization through the phasing out of quotas did not have negative effects on the efficiency of levels of Nigeria's textile industries.

5.7: Relating Research Hypothesis to Research Findings of Nichemtex textile limited Ikorodu, Lagos State

This section examines the assumptions and empirically relate it to the findings of Nichemtex textile limited Ikorodu, Lagos State.

Hypothesis One

The empirical analysis drawn from the cross tabulation shows the relationship between the benefits of textile industries in Nigeria derived from the WTO liberalization policy.

Table 5.88: Cross tabulation on the benefits Nigeria's textile industries derived from the WTO liberalization policy, the elimination of quota and restrictions on exports and imports

Response	No response	Yes	No	Not sure	
No Response	3(0.89%)	8(2.38%)	0(0%)	3(0.89%)	13(3.87%)
Yes	3(0.89%)	82(24.40%)	16(4.76%)	8(2.38%)	109(32.44%)
No	0(0%)	67(19.94%)	9(2.68%)	3(0.89%)	79(23.51%)
Not Sure	0(0%)	99(29.46%)	7(2.08%)	28(8.33%)	135(40.18%)
Total	**6(1.78%)**	**256(76.18%)**	**32(9.52%)**	**42(12.49%)**	**336(100%)**

Source: Researcher's Survey 2017

Table 5.88 shows the empirical result of the cross tabulation analysis. The table shows the level of relationship and interdependence. The cross tabulation reveals that 24.40% of the respondents say that textile industries in Nigeria have benefitted from the WTO liberalization policy and at the same time the respondents say that the elimination of quota and restrictions on exports and imports have affected textile industries in Nigeria.

Secondly 4.76% of those that said 'yes', textile industries have benefitted also indicated that 'no', the elimination of quotas and restrictions on exports and imports affected textile industries in Nigeria. On the other hand, the cross tabulation also reveals that 19.94%

indicated that textile industries did not benefit from the WTO liberalization policy but in similar view they said the elimination of quotas and restrictions on exports and imports affected textile industries in Nigeria. The empirical findings shows that 29.46% are not sure if the textile industries have benefitted from the WTO liberalization policy, although they indicated that 'yes', the elimination of quotas and restrictions on exports and imports affected textile industries in Nigeria. While 8.33% are not sure if the textile industries have benefitted and they are also not sure if the elimination of quotas and restrictions on exports and imports affected textile industries in Nigeria.

Table 5.89: Chi-Square Result on whether Nigeria's Textile Industries have benefitted from the WTO Liberalization Policy Versus the Elimination of Quota and Restrictions on Exports and Imports affected Textile Industries in Nigeria

Response	Yes	No	Indifferent	Total
Yes	82(83.05)	16(10.38)	11(15.57)	109
No	67(60.19)	9(7.52)	3(11.29)	79
Indifferent	107(112.76)	7(14.10)	34(21.14)	148
Total	256	32	48	336
$\boldsymbol{\chi^2_{cal} = 23.225,\ \chi^2_{0.05,4} = 9.49}$		**DF=4**		

Source: Researcher's Survey 2017

From the result it shows that the $\boldsymbol{\chi^2_{cal} = 23.225}$ is greater than $\boldsymbol{\chi^2_{0.05,4} = 9.49}$, therefore we conclude that the implementation of the expiration of the multi-fibre is not likely to lead to loss of potential export earnings for Nigeria from the textile industries.

Hypothesis Two

Eliminating quota will have a significant relationship on the consolidation of production into larger textile industry in Nigeria and a smaller number of supplying countries.

Table 5.90: Cross tabulation on the elimination of quotas and restrictions on exports and imports affects textile industries in Nigeria versus Nigeria's adoption of WTO trade rules and policies has affected textile industries in Nigeria

Response	No response	Yes	No	Not sure	Total
No Response	0(0%)	0(0%)	5(1.49%)	0(0%)	5(1.49%)
Yes	7(2.08%)	184(54.76%)	48(14.29%)	17(5.06%)	257(76.49%)
No	0(0%)	18(5.06%)	11(3.27%)	4(1.19%)	32(9.52%)
Not	2(0.6%)	13(3.87%)	0(0%)	27(8.04%)	42(12.5%)
Total	**9(2.68%)**	**215(63.69%)**	**64(19.05%)**	**48(14.29%)**	**336(100%)**

Source: Researcher's Survey 2017

The empirical result of the cross tabulation in table 5.90 shows the interdependence between the elimination of quota and restrictions on exports and imports on how it affects textile industries in Nigeria and how Nigeria's adoption of WTO trade rules and policies affected textile industries in Nigeria. The findings reveals that 54.76% of the respondents opined that 'yes', the elimination of quota and restrictions on exports and imports affected textile industries in Nigeria and that the adoption of WTO trade rules and policies have affected textile industries in Nigeria. Although 14.29% of the response rate indicates that the elimination of quota and restrictions on exports and imports affected textile industries, the result also shows that Nigeria's adoption of WTO trade rules and policies did not affect textile industries in Nigeria. On the other hand, 5.06% who said the elimination of quota and restrictions affected textile industries also indicated that they are not sure if the adoption of the WTO trade rules and policies has affected textile industries in Nigeria.

Secondly, the findings reveal that 5.06% indicated that elimination of quota and restrictions did not affect textile industries in Nigeria but the findings also shows that the adoption of

WTO trade rules and policies affected textile industries in Nigeria. The findings show that 3.27% of the response rate indicate that the elimination of quotas and restrictions and Nigeria's adoption of WTO trade rules and policies did not affect textile industries in Nigeria.

Lastly the empirical findings show that 3.87% are not sure that the elimination of quota and restrictions affected textile industries in Nigeria, but opined that Nigeria's adoption of WTO trade rules and policies affected textile industries. Finally 8.04% are not sure if both the elimination of quota and restrictions, and Nigeria's adoption of WTO trade rules and policies affected textile industries in Nigeria.

Table 5.91: Chi-Square results on the elimination of quotas and restrictions on exports and imports affects textile industries in Nigeria versus Nigeria's adoption of WTO trade rules and policies has affected textile industries in Nigeria

Response	Yes	No	Indifferent	Total
Yes	184(163.81)	48(48.76)	24(43.43)	256
No	18(21.12)	11(6.29)	4(5.60)	33
Indifferent	13(30.07)	5(8.95)	29(7.97)	47
Total	215	64	57	336
$\boldsymbol{\chi^2_{cal} = 82.534}$, $\boldsymbol{\chi^2_{0.05,4} = 9.49}$		**DF=4**		

Source: Researcher's Survey 2017

Fromthe chi-square test above, the test result reveal that $\boldsymbol{\chi^2_{cal} = 82.534}$ is greater than $\boldsymbol{\chi^2_{0.05,4} = 9.49}$.we therefore conclude that the eliminating quota will likely consolidate production into larger textile industry in Nigeria and a smaller number of supplying countries.

Hypothesis Three

Nigeria's textile industries fared much better in the quota free regime they were supposedly constrained by the multi-fibre agreement (MFA).

Table 5.92: Cross tabulation on any benefits textile industries derived from WTO'S liberalization policy versus Nigeria's adoption of WTO trade rules and policies has affected textile industries in Nigeria

Response	No response	Yes	No	Not sure	Total
No Response	0(0.00%)	7(2.08%)	5(1.49%)	0(0%)	12(3.57%)
Yes	0(0.00%)	120(35.71%)	43(12.8%)	11(3.27%)	173(51.49%)
No	3(0.89%)	46(13.69%)	7(2.08%)	5(1.49%)	61(18.16%)
Not Sure	5(1.49%)	43(12.80%)	9(2.68)	32(9.52%)	90(26.78%)
Total	**8(2.38%)**	**216(64.28%)**	**64(19.05%)**	**48(14.28%)**	**336(100%)**

Source: Researcher's Survey 2017

The empirical result from the cross tabulation further shows the level of interdependence between the benefits textile industries could derive from WTO's trade liberalization and if the adoption of WTO trade rules and policies affected textile industries in Nigeria.

The empirical result shows that those 35.71% indicated that there are benefits textile industries could derive from the WTO's trade liberalization and that Nigeria's adoption of WTO trade rules and policies has affected textile industries in Nigeria. There are indications from the findings that 12.80% of the response rate indicated that textile industries benefitted and also opined that the adoption of WTO trade rules and policies did not affect textile industries. Although it was revealed that 3.27% opined that textile industries could derive benefits from WTO's trade liberalization, but are not sure if Nigeria's adoption of WTO trade rules and policies affected textile industries in Nigeria.

The findings show that 13.69% of the response rate indicated that textile industries could not derive any benefit from WTO's trade liberalization. In the same vein they also indicated that Nigeria's adoption of WTO trade rules and policies affected textile industries in Nigeria. It also shows that 2.08% are of the opinion that there are benefits textile industries could not derive and that the adoption of WTO trade rules and policies affected textile Industries in Nigeria. 1.49% of the response rate indicate that textile industries could not derive benefits from WTO's trade liberalization and are not sure if Nigeria's adoption of WTO trade rules and policies affected textile industries in Nigeria. Finally 12.80% are not sure of the benefits textile industries could derive from WTO's trade liberalization, but said 'yes' they think Nigeria's adoption of WTO trade rules and policies has affected textile industries in Nigeria. On the other hand 9.52% are both not sure if that textile industries could derive benefits from WTO's trade liberalization and again they are not sure if Nigeria's adoption of WTO trade rules and policies affected textile industries in Nigeria.

Table 5.93: Chi-Square result on any benefits textile industries derived from WTO'S liberalization policy versus Nigeria's adoption of WTO trade rules and policies has affected textile industries in Nigeria

Response	**Yes**	**No**	**Indifferent**	**Total**
Yes	120(111.86)	43(33.14)	11(29.00)	174
No	46(39.21)	7(11.62)	8(10.17)	61
Indifferent	50(64.93)	14(19.24)	37(16.83)	101
Total	**216**	**64**	**56**	**336**

$\boldsymbol{\chi^2_{cal} = 47.188,\ \chi^2_{0.05,4} = 9.49}$ **DF=4**

Source: Researcher's Survey 2017

The chi-square test reveals that $\boldsymbol{\chi^2_{cal} = 47.188}$ is greater than $\boldsymbol{\chi^2_{0.05,4} = 9.49}$, we conclude that Nigeria's Textile industries did not fare much better in the quota free regime and that they were constrained by the multi-fibre agreement (MFA).

Hypothesis Four

There is a significant relationship between the process of trade liberalization through the phasing out of quotas and the efficiency levels of Nigeria's textile industries.

Table 5.94: Cross Tabulation Nigeria's textile industries have benefitted from WTO liberalization policy versus the elimination of multi-fiber agreements impacts on Nigeria's textile industries.

Response	No response	Positive	Negative	Not sure	Total
No Response	3(0.89%)	0(0.00%)	5(1.49%)	5(1.49%)	14(4.17%)
Yes	8(2.38%)	52(15.48%)	35(10.42%)	13(3.87%)	109(32.44%)
No	0(0.00%)	23(6.85%)	46(13.6%)	11(3.27%)	79(23.51%)
Not Sure	0(0.00%)	14(4.17%)	86(25.6%)	35(10.42%)	134(39.88%)
Total	**11(3.27%)**	**89(26.50%)**	**172(51.02%)**	**64(19.05%)**	**336(100%)**

Source: Researcher's Survey 2017

The empirical findings show that 15.48% of respondents who opined that Nigeria's textile industries have benefitted from the WTO trade liberalization policy also opined that the elimination of multi-fibre agreement had positive impact on Nigeria's textile industries. Although 10.42% indicated that Nigeria's industries have benefitted from WTO liberalization policy opined that the elimination of multi-fibre agreements had negative impact on Nigeria's textile industries. In similar vein, 3.87% indicated that 'yes' Nigeria's textile industries have benefitted from the WTO liberalization policy, but are not sure if the elimination of the multi-fibre agreements impacted positively or negatively on Nigeria's textile industries.

Secondly the empirical result reveal that 6.85% of the respondents opined that Nigeria's textile industries have not benefitted from the WTO liberalization policy, but the elimination of multi-fibre agreements had positive impact on Nigeria's textile industries. In line with this is a situation where 13.60% of the response rate indicate that the textile industries in Nigeria

did not benefit from the WTO trade liberalization policy. They also opined that the elimination of multi-fibre agreements impacted negatively on Nigeria's textile industries. The findings show that 3.27% opined that textile industries benefitted from the liberalization policy but are not sure if the elimination of multi-fibre agreements had positive or negative impacts on Nigeria's textile industries,

Finally 4.17% of the respondents were not sure if Nigeria's textile industries have benefitted from WTO liberalization policy, but they indicated that the elimination of multi-fibre agreements had positive impact on Nigeria's textile industries. From the cross tabulation, it shows that 25.60% of the response rate indicated that they are not sure if the textile industries have benefitted from the WTO liberalization policy, but the elimination of the multi-fibre agreements had negative impact on Nigeria's textile industries. Lastly, the empirical findings shows that 10.42% of the respondents are not sure if Nigeria's textile industries have benefitted from the WTO trade liberalization policy and are not sure if the elimination of multi-fibre agreements had positive or negative impacts on Nigeria's textile industries.

Table 5.95: Chi-Square result on whether Nigeria's textile industries have benefitted from WTO liberalization policy versus the elimination of multi-fiber agreements impacts on Nigeria's textile industries.

Response	**Positive**	**Negative**	**Not Sure**	**Total**
Yes	52(28.61)	35(55.29)	21(24.11)	108
No	23(21.19)	46(40.95)	11(17.86)	80
Not Sure	14(39.20)	91(75.76)	43(33.04)	148
Total	**89**	**172**	**75**	**336**
$\chi^2_{cal} = 52.655,\ \chi^2_{0.05,4} = 9.49$		**DF=4**		

Source: Researcher's Survey 2017

The result of the chi-square test revealed that $\chi^2_{cal} = 52.655$ is greater than $\chi^2_{0.05,4} = 9.49$, we conclude that the process of trade liberalization through the phasing out of quotas had negative effects on the efficiency levels on Nigeria's textile industries.

5.8 Major Findings of the study

- The findings from this study has shown that the implementation of the expiration of the multi-fibre agreement led to loss of potential export earnings for Nigeria based on the result from Tofa textile, while the results of the findings of Nichemtex textile reveals that the implementation of the expiration of the multi-fibre did not largely lead to loss of potential export earnings for Nigeria from the textile industries.
- The findings of the study reveals that the elimination of quota did not lead to consolidation of production into larger textile industries in Nigeria and a smaller number of supplying countries looking at Tofa textile Kano. This is in agreement to the findings of Nichemtex textile, which also indicates that eliminating quota will not likely lead to the consolidation of production into larger textile industry in Nigeria and a smaller number of supplying countries.
- The result of the findings shows that Nigeria's textile industries did not fare much better in the quota free regime since they were supposedly constrained by the multi-fibre agreement (MFA).
- Lastly, the findings of the study has shown that the process of trade liberalization through the phasing out of quotas have negative effects on the efficiency levels of Nigeria's textile industries. This development brought about the opening of the Nigerian economy to shocks thereby making the textile industry in Nigeria susceptible to importation and influx of foreign goods and inability of the locally

produced textile products that cannot compete with other products, patronage of foreign goods rather domestic goods, smuggling of textile goods from other countries has been on the high side.

5.9 Contributions of the study to Knowledge

The study considered the performance of the textile mill during the Multi-Fibre Agreement (MFA) period, the phase out of Multi-Fibre Agreement (MFA) and Post Multi-Fibre Agreement (MFA). Hence, the contributions of this study to the existing body of knowledge covers both public policy and theoretical explanation. In specific terms, it has contributed in the following ways:

- Firstly, there are a lot of work in development literature on the effects of MFA on both developing and developed countries but little attention has been paid on the effects of Multi-Fibre Agreementon textiles industry in developing economies especially, Nigeria. Considering the strategic location and the place of geo-politics of Nigeria in Africa, this study covers that gap by focusing on the effects of MFA expiration on textile industries in Nigeria.

- Secondly, unlikeother studies reviewed, it was observed that they employed the use of the theories of comparative advantage and globalization as theoretical frame of the analysis, but this study employed the use of Neoliberal theory to ascertain the effects of MFA on Nigeria's textile industries. Theoretically, as propounded by the neoliberal scholars like Harvey (2005), the inability of the Nigerian state to play its roles is largely responsible for the collapse of textile industries in Nigeria.

- Thirdly, theoretically too, the research will stimulate further theoretical knowledge within the context of the challenges confronting textile industries with the intention to ultimately find solution to these problems that seem to have defied some solutions and measures to revitalize textile industries in Nigeria.

- Fourthly, this study has also shown contrary to the findings of other studies that the factors responsible for the collapse of Nigeria's textile industries are both external and internal factors but internal factors played prominent roles.

- Fifthly, in terms of public policy, this study will shape public policy making and implementation on textile industries considering its anticipated and expected benefits to Nigeria's economy.

- Finally, in terms of public policy, one of the gap discovered is that in most of the successful textile industries in India especially between 2002- 2003; 2003-2004 is traceable to research which was corroborated by scholars like (Rafi, 2005; Liaquat, 2005). Hence, there is a place for a well-funded research either by institutions established to provide this framework or by the textile research association for the success of textile industries.

CHAPTER SIX

SUMMARY OF FINDINGS, CONCLUSION, AND RECOMMENDATIONS

6.1 Summary of findings

The expiration of the MFA has brought about opportunities for textile industries both in developing and developed countries. Most of the studies that were conducted on the expiration of the MFA by international organizations such as WTO, the World Bank, the Asian Development Bank and the United Nations concluded that there would be enormous gains for both developing and developed countries after the removal of the restrictions. It is against this background that this study assessed the effects of the expiration of MFA on Tofa and Nichemtex textile industries; 2005-2015.

The study was intended to achieve the following objectives. To identify the nature of the expiration of the Multi Fibre Agreement (MFA); to examine the effects of the expiration of the Multi Fibre Agreement (MFA) on Tofa and Nichemtex Textile industries;to ascertain the contributions of Nichemtex and Tofa textile industries Nigeria Limited to employment generation and foreign earnings to Nigeria's economy; 2005-2015; to ascertain the challenges faced by Nichemtex and Tofa textile industries Nigeria Limited as a result of the expiration of MFA; 2005-2015; and to identify possible solutions to the challenges faced by Nichemtex and Tofa textile industries Nigeria Limited.

Through the instrumentalities of In-depth interviews, Questionnaire, FGDs and examination of official documents from WTO, GATT, and the textile industries and empirical studies, the study based on objective number one found out that majority of the respondents interviewed and interwoven with the official documents examined had indicated their understanding of the nature of the MFA and the imposition of quotas on the amount textile products developing countries could export to developed countries which resulted in job and export

loss in developing countries. In the light of the foregoing, it can be summarized that the nature of MFA was not favourable to textile industries in developing countries thereby calling for its expiration which again has produced mixed results for textile industries in both developing and developed countries.

On the second objectives of the research which is to ascertain the effects of the expiration of the Multi Fibre Agreement (MFA) on Tofa and Nichemtex Textile industries, the study has shown that there is a significant negative relationship between the expiration of multi-fibre agreements and Nigeria textile industries. About 420 of the respondents representing 63.35% indicated that, there was a negative impact of the expiration of multi-fiber agreements on Nigeria textile industries against 148 of the respondents representing 22.32% that said there was a positive benefits of the expiration of multi-fibre agreement. The trend of the production and sales indicated a downward trend from 2005 to 2015.

The third objectives of the study focuses on ascertainingthe contributions of Nichemtex and Tofa textile industries Nigeria Limited to employment generation and foreign earnings to Nigeria's economy; 2005-2015.Available data from the respondents and interwoven with examination of official documents and empirical data have shown that the expiration of the MFA has affected employment generation and export earnings of these industries to Nigeria's economy and ultimately the contributions of the textile industries to overall economy of Nigeria. The findings reveals that the trade liberalization policy introduced encouraged the free flow of imported foreign goods which opened up the Nigerian economy to shocks.The implication of this is that it poses a serious threat to the industrialization process of Nigeria.

On the fourth objective which is to ascertain the challenges faced by Nichemtex and Tofa textile industries Nigeria Limited as a result of the expiration of MFA; 2005-2015; available

data from both the empirical and official documents corroborated with the in-depth interviews, FGDs and Questionnaire have shown that overwhelming majority had indicated that both internal and external factors were responsible for the challenges of textile industries in Nigeria but they however indicated that internal factors played prominent role. This was in agreement

with the theoretical postulation of Neo-liberalism which is primarily concerned with maximizing individual liberty and the freedom of choice. This implies that the state failed to play highly minimal and purely regulatory roles and should refrain from most forms of economic intervention, even in the face of market mechanism leading to reduced economic efficiency (Howlett, Alex and Ramesh 1999; Thorsen 2009; Cordato 1980; von Hayek 1979). The inability of the state to play its role as advanced by the neoliberal scholars is largely responsible for the internal factors that caused the collapse of textile industries in Nigeria.

On the whole, the study shows that the expiration of the MFA has affected textile industries in Nigeria negatively. Even though there are slight benefits as recorded in the data presented in this work, the overwhelming result indicates a negative trend. For instance, the results of the mean response were in favour of Tofa limited, Kano with the highest mean response to the questions on the effects of the multi-fibre agreement. This was further strengthened by the chi-square results that demonstrated how the impacts depended on the particular industry of the respondent. The implication of this result is that, the effects were much in Kano than in Lagos. This may be due to the fact that, the production of finished products is the emphasis and area of specific location in Tofa textile industry Kano than in Lagos. Tofa textile industry is not so diversified in its production by specialization in the manufacturing of finished products unlike Nichemtex that diversified by going into both intermediary and finished products.

6.2 Conclusion

In the light of the foregoing, the study can conclude that even though the data generated and analyzed has indicated thatthe expiration of the MFA has affected textile industries in Nigeria negatively, it also reveals that most of the factors responsible for the challenges in Nigeria's textile industries are internally induced and not due to WTO liberalization policy as expounded by some empiric studies examined and literature reviewed.

The study can also conclude that despite the introduction of the liberalization policy, the Nigerian textile industries did not benefit from the policy. This is attributed to the fact that the policy opened the economy to shocks thereby making the textile industry in Nigeria susceptible to inflow of foreign goods thereby leading to the near collapse of textile industries in Nigeria.

The study can also conclude that the elimination of quotas and restrictions on exports and imports affected the efficiency of Nigeria's textile industries. The removal of the Multi Fibre Agreement (MFA) did not allow textile Industries to operate at the maximum level. The reason was because there were situations where people were allowed to go out and bring into the country a lot of substandard products. The removal of the Multi Fibre Agreement posed a lot of challenge where it discouraged industries from producing. This serves as a threat to the domestic textile industries.

Finally, the study also conclude that textile firms in Nigeria were better off during the MFA period but was not significant enough to improve the efficiency of textile industries in Nigeria. It is important to note that there are internal policies thatnegatively affected the

production capacity of a country via the textile industries. These policies inhibited the efficiency of textile industries and increase the cost of production and lack of patronage.

The internal challenges faced by the textile industries exposed the economy to a lot of issues which calls for urgent attention. These challenges are the problem of inadequate power supply i.e electricity, unfavourable government policies that has no focus, smuggling of Chinese products and the use of outdated machines in the textile industries. With this situation, the textile industries have experienced set back.

6.3 Recommendations and Plans of implementations

Based on our findings, to achieve the viability of textile industries in Nigeria, and the need for government to consolidate fiscal policy measures to coincide with projected targets in the growth of textile industries in Nigeria, the following are hereby recommended:

1. Provision of Cotton, Textile and Garment Industrial Infrastructure: As done in other countries with thriving Textiles sectors, and as part of the Nigeria CTG measures "Integrated Textiles and Garments Parks" (ITGPs) should be developed with nearness to raw materials, nearness to markets, availability of requisite infrastructure and geographical spread as criteria for determining the location of these parks.

2. Energy Supply: Government should address the industry's energy needs. Between 30% and

40% of Textiles and garments manufacturing costs are energy related expenses; therefore, without addressing the industry's energy needs, the Nigerian CTG sector simply cannot develop.

3. Raw Materials: Since cotton, textile and garment sectors are designed to secure inputs mostly from local sources; there should be strong collaboration between the Federal Ministry

of Industry, Trade and Investment (MITI), and Federal Ministry of Agriculture and Rural Development (FMARD).

4. Investment Climate and Fiscal Regime: Because of the extremely weak condition of the Nigerian Textile sector, it is required that the sector be given significant regulatory and fiscal reprieve to encourage investors.

5. Exports: There is a need to motivate the private sector to intensify its drive towards exporting locally produced textile products in the economy and consuming locally produced goods.

6. Standards: In order to develop a World-class cotton, textile and garment value chain in Nigeria, some of the measures Government should ensure include the registration of all major textile importers by Standards Organisation of Nigeria (SON) to reduce the dumping of sub-standard goods into the country; a bilateral agreement between SON and its counterpart in China to significantly reduce/eliminate counterfeiting; encourage cotton, textile and garment companies in Nigeria to register their trademarks and cotton, textile and garment sector facilitating match-making of Nigeria Textile manufacturers with foreign companies to improve adherence to international standards and specifications and assistance to Nigerian companies tie into the global textile supply chain.

7. There is need for fiscal tightening by government authorities that is aimed at protecting existing export promotion agencies especially the Nigerian Export Promotion Council and the Nigerian Export Import Bank need to be well funded with the new national export policy aimed at targeting the textile industries.

8. Government should continue to put in place favourable policies that will create the enabling environment by investing on economic services like agric-based industries that have high potentials for forward and backward linkages. This will ensure textile industries to have and source for raw materials domestically to boost productivity in the industries.

9. There is the need to prioritize expenditure towards stimulating growth of textile industries and emphasis on productive investments in industrialization, infrastructure (power, road, rail, water, etc);

10. There is need for government to have an economic model of restructuring her economy where there is need for the government to close her economy. For example, the success of the Asian tigers was as a result of the policy of closing up her economy. An economy where there was no import and export.

LIST OF APPENDIX

APPENDIX I: List of Key Respondents for the In-depth Interviewed from Abuja, Kaduna, Kano and Lagos

S/N	Names	Rank/Designation	Organisation	Date of Interview
1	Alhaji Suleiman Umar	Managing Director	Tofa Textile Ltd, Kano	15th January, 2017
2	Abdulkarim M. Alfa	Production Manager	Tofa Textile Ltd, Kano	16th January, 2017
3 (i)	Boniface Nwachukwu	Weaving Coordinator	Tofa Textile Ltd, Kano	9th January, 2017
3 (ii)	Boniface Nwachukwu	Weaving Coordinator	Tofa Textile Ltd, Kano	16th January, 2017
4	Clement Yaquila	Weaving Department	Tofa Textile Ltd, Kano	16th January, 2017
5	Umar Ubadam	Head of Human Resource Department	Tofa Textile Ltd, Kano	9th January, 2017
6	Abdullahi Yusuf	Chief Accountant	Tofa Textile Ltd, Kano	16th January, 2017
7	Sa'idu Dattijo	Executive Director	Adhama Textil & Garment Industry Ltd, Kano	17th January, 2017
8	Dr. Andrew Ogunmakin	Assistant Director	Nichemtex Ltd, Lagos	19th December, 2016
9	Ilonwa Victor	Sales Manager	Nichemtex Ltd, Lagos	22ndDecember, 2016
10	Segun Charles Akunubi	Personnel Officer	Nichemtex Ltd, Lagos	20th December, 2016
11	Akinayo Akinyosoye	Personnel Officer	Nichemtex Ltd, Lagos	22nd Dec., 2016
12	Isaac Oluwasanmi	Sales Planner	Qualitex Ltd, Lagos	20th December, 2016
13	Adamu Mohammed Abdulhameed	Deputy Director	Fed. Ministry of Industry, Trade and Investment, Abuja	13th December, 2016
14 (i)	Aliyu M. Abubakar	Director, (WTO Matters)	Fed. Ministry of Industry, Trade and Investment, Abuja	13th December, 2016
14 (ii)	Aliyu M. Abubakar	Director, (WTO Matters)	Fed. Ministry of Industry, Trade and Investment, Abuja	15th December, 2016
15 (i)	Demitta Gyang	Senior Commercial Officer	Fed. Ministry of Industry, Trade and Investment, Abuja	15th December, 2016
15 (ii)	Demitta Gyang	Senior Commercial Officer	Federal Ministry of Industry, Trade and Investments, Abuja	20th January, 2017
16	Hamma A. Kwajaffa	Director- General	Nigerian Textile Manufacturer's Association, Lagos	23rd December, 2016
17	Jayeola Paul Olarewaju	Ex-Director- General	Nigerian Textile Manufacturer's Association, Lagos	23rd December, 2016
18	Cordelia Anyaehie	Sales Person	Da Viva Shop Lagos	24th December, 2016
19	Kalu Bukola	Retailer	Ladega Market, Lagos	23rd December, 2016
20	Owusanya Basirat	Retailer	Ladega Market, Lagos	24th December, 2016
21	Sunday Nayata	Director	Nayata International Ltd Kano	17th January, 2017
22	Comrade Aliyu Baba	Chairman	Private Sector Union, Kano	22nd January, 2017
23	Abdul Adamu	The Deputy President	National Union of Textile Workers, Garment and Tailoring, Kano	22nd January, 2017
24	Comrade Issa Aremu,	General Secretary	National Union of Textile	19th January, 2017

	mni		Workers, Garment and Tailoring, H/Qtrs., Kaduna	
25.	Comrade Hamza Adamu	The Organizing Secretary	National Union of Textile workers, Kano Zone	22nd January, 2017
26	Barnabas Jattau	Deputy Director	Federal Ministry of Industry, Trade and Investments, Abuja	20th January, 2017
27	Abdulahi Saidu Aliyu	Director in-charge of Policy and Strategy	Nigerian Export Promotion Council, Abuja	20th January, 2017
28	Abayomi Salami	Assistant Director and Head of External Unit	The External Relations Unit, NIPC, Abuja	23rd January, 2017
29	Mr. Adsina Emmanuel	Assistant Director	Agric Sector, NIPC, Abuja	23rd January, 2017
30	Dr. Adeyaki	Former Head	Department of Textile and Polymwer, Yaba College of Technology, Lagos	28th December, 2016

APPENDIX II: Sampling Schedule for the Focus Group Discussions (FGDs): Key Informants

LGA	Selected Markets	No. of participants	No. of FGDs
Kano	KatinKwari, Kano	8	2
	SabonGari, (Abubakar Rimi) Kano	8	2
Lagos	Ladeja, Lagos	8	2
	Balogun, Lagos	8	2
	Oshodi	11	2
Total	**5**	**43**	**10**

APPENDIX III. Structured Focus Group Discussion (FGD) Questions Guide

1. Please can you introduce yourself by name, qualification, occupation and type of textiles business you run?
2. Sir, is there any benefits textile industries stand to gain from WTO's trade liberalization?
3. How has liberalization of markets by WTO affected textile business in Nigeria?
4. WTO's Liberalization of markets saw massive influx of foreign firms into textile market in Nigeria. How are yousurviving in this condition?
5. How does the elimination of the Multi fiber agreement (MFA) impacted on your textile business?
6. Has your business been threatened by increased influx of cheap Chinese textile imports in Nigeria?
7. Are you of the view that inadequate domestic demand and low patronage led to the collapse of textile industries in Nigeria?
8. In your own view, what are the challenges confronting textile industries in Nigeria?
9. What are the possible solutions for overcoming these challenges?

Thank you sir for granting us audience despite your busy schedule.

Appendix IV: **Structured Focus Group Discussion (FGD) Guide**

DEPARTMENT OF POLITICAL & INTERNATIONAL STUDIES,
FACULTY OF SOCIAL SCIENCES,
AHMADU BELLO UNIVERSITY, ZARIA

Dear Respondent,

I am a post graduate student of the Department of Political Science and International Studies, Ahmadu Bello University, Zaria. I am currently undertaking a research aimed at assessing Effects of the Expiration of the Multi Fibre Agreement on Nigeria's Textile industries; 2001 - 2015: A Focus on NICHEMTEX LIMITED, LAGOS AND TOFA TEXTILE INDUSTRY, KANO.

The purpose of the research is to collect a comprehensive data on the above mentioned topic, as this is part of the requirement for PhD Thesis. You should therefore, please assist in answering the questions appropriately. You are expected to give your honest and sincere views on the questions. I promise and urge you to be rest assured that all information given here shall be treated strictly for academic purpose.

Thank you for the anticipated cooperation.

AHMED, Aliyu Tanko

P15SSPS9017

Appendix V: Focus Group Discussion with Textile Traders in Kanti Kwari Market Kano (Key Informants)

S/N	Name of The Participants	Position held	ADDRESS/SHOP NO.	DATE
1	Alh.LitiKulkul	Chairman of the kwari textile traders association	No.26,gidan kungiya, jankwano Kantikwari	16,Dec,2016
2	AlhAbdullahiShehu	Vice Chairman of the kwari textile traders association	No.26,Gidan kungiya, jankwano Kantikwari	16,Dec,2016
3	Alh.Ibrahim Mustapha	Treasurer of the kwari textile traders association	No.26,gidan kungiya, jankwano Kantikwari	16,Dec,2016
4	Mal. Sabitu Mai Shadda	Textile Dealer	Kantin Sabi,no.57 LayinAtamfa,kwari	16,Dec,2016
5	Mal. Ismail Abdullahi	Textile Retailer	Layin Yan Tebura opposite mosque kantikwari	16,Dec,2016
6	Alh.KamiluLawal Mai Leshi	Wholesaler	No.29,Gidan Isiya,yanShadda Kwari market	16,Dec,2016
7	AlhJamilu Dan Asabe	Textile Dealer	Shop no.13,layin Yan Hula Kwari	16,Dec,20161 6,Dec,2016
8	Mal Salisu Ibrahim Azare	Retailer	LayinyanTebura opposite mosque Kantikwari	

Appendix V (b) Focus Group Discussion with Textile Traders in Sabon Gari (Abubakar Rimi) Market Kano

S/N	Name of The Participants	Position held	Address/Shop No.	DATE 5th jan,2017
1	Alh.AlinBagadaza	Chairman of the SabonGari Traders Union	No.72,Gidan Magi SabonGari Market	**DATE 5th jan,2017**
2	Alh.MunzaliHashim	Vice Chairman of the SabonGari Traders Union	No.72,Gidan Magi SabonGari Market	
3	Alh.AbdullahiSule	Sectary of the SabonGari Traders Unio	No.72,Gidan Magi SabonGari Market	
4	Alh. Hassan Mai Bulawus	Textile Dealer	No,32,opposite first bank, SabonGari Market	
5	Alhmuhammadu Dan kaba	Ribbon and boucle Retailer	West Gate,SabonGari Market	
6	Alh.TanimuAuwal	Wholesaler of textile products	No.41, SabonGari Market	
7	Alh.Isa Umaru	Textile Dealer	Shop no 11,layin yanTakalma SabonGari Market	
8	Mal.Salisu Ibrahim Azare	Retailer	Shop no 27, layinyanTakalma SabonGari Market	

Appendix VI Focus Group Discussion at Oshodi, Ladega and Balogun Markets in Lagos (Key informants)

SN	NAMES	STORE ADDRESS	Date
	OSHODI MARKET		
1.	Mr. Vincent Njoku	Shop No. 54	25th January, 2017
2.	Mr. Umeobi Chukwumah		25th January, 2017
3.	Mr. Emmanuel Kelechi	Shop No. 87	25th January, 2017
4.	Mr. David Okoye	Shop No. 75	25th January, 2017
5.	Mr. Sunday Okafor	Sunnymek Ventures	25th January, 2017
6.	Mr. Austine Obidi	Shop No. 110	25th January, 2017
7.	Mrs. Shade Durojaiye	Shop No. 94	25th January, 2017
8.	Femi Akiola	Shop No. 102	25th January, 2017
	LADEGA MARKET		
1.	Mrs. Abiodun Akinbolaji		25th January, 2017
2.	Mrs. Bolane Olawoyin		25th January, 2017
3.	Mr. Kazeem Otambala	52 Ladega Strt,Ikorodu, Lagos.	25th January, 2017
4.	Mr. Ayo Egbeola		25th January, 2017
5.	Mrs. Basirat Akodu	No. 6 Wera Strt, Ikorodu, Lagos.	25th January, 2017
6.	Mrs. Kemi Olusanya	No. 6 Wera Strt, Ikorodu, Lagos.	25th January, 2017
7.	Mrs. Rashidat Akimpelu	No. 6 Wera Strt, Ikorodu, Lagos.	25th January, 2017
8.	Mrs. Iya Nosimat	No. 6 Wera Strt, Ikorodu, Lagos.	25th January, 2017
	BALOGUN MARKET		
1.	Mrs. Aramide Oyolola	Bimrag, Balogun, Lagos Island, Lagos	25th January, 2017
2.	Mrs. Ajibade Abosede Olajumoke	K B Ventures, Balogun	25th January, 2017
3.	Mrs. Dada	Developer Balogun Market, Lagos Island, Lagos	25th January, 2017
4.	Mrs. Fola Shade	Eli Trading Merchant Ltd, Balogun.	25th January, 2017
5.	Mrs. Abayomi Aina		25th January, 2017
6.	Mrs. Bola Jummy		25th January, 2017
7.	Alhaja Muminat Abubakar		25th January, 2017
8.	Mr. Olusunkami Nureni Shabayo		25th January, 2017
9.	Mrs. Bola Bakare		25th January, 2017
10.	Mrs. Bola Awonusi		25th January, 2017
11.	Mrs. Adenusi Fumi		25th January, 2017

Appendix VII showing list of countries in chronological order of accession to the WTO.

Albania 8 September, 2000; Angola 23 November, 1996; Antigua and Barbuda 1 January, 1995; Argentina 1 January, 1995; Armenia 5 February, 2003; Australia 1 January, 1995; Austria 1 January, 1995; Bahrain 1 January, 1995; Bangladesh 1 January, 1995; Barbados 1 January, 1995; Belgium 1 January, 1995; Berlin 1 January, 1995; Benin, 22 February, 1996; Bolivia 12 September, 1995; Botswana 31 May, 1995; Brazil 1 January, 1995; Brunel Darussalam 1 January, 1995; Bulgaria 1 December, 1995; Burkina Faso 3 June, 1995; Burundi 23 July, 1995; Cambodia 13 October, 2004; Cameroun 13 December, 1995; Canada 1 January, 1995; Central Africa Republic 31 May, 1995 Chad 19 October, 1996; Chile 1 January, 1995; China 11 December, 2001; Columbia 30 April, 1995; Congo 27 March 1997; Costa Rica 1 January, 1995; Cote d'ivoire 1 January, 1995; Croatia 30 November, 2000; Cuba 20 April, 1995; Cyprus 30 July, 1995; Czech Republic 1 January, 1995; Democratic Republic of the Congo 1 January, 1997; Denmark 1 January, 1995; Djibouti 31 May, 1995; Damascus 1 January, 1995; Dominican Republic 9 March, 1995; Ecuador 21 January, 1996; Egypt 30 June, 1995; El Salvador, 7 May 1995; Estonia, 13 November 1999; European Communities, 1 January, 1995; Fiji, 14 January 1996; Finland, 1 January, 1995; Former Yugoslav Republic of Macedonia, 4 April 2003; France, 1 January, 1995; Gabon, 1 January, 1995; The Gambia, 23 October 1996; Georgia, 14 June 2000; Germany, 1 January, 1995; Ghana, 1 January, 1995; Greece, 1 January, 1995; Grenada, 22 February 1996; Guatemala, 21 July 1995; Guinea, 25 October 1995; Guinea Bissau, 31 May 1995; Guyana, 1 January, 1995; Haiti, 30 January 1996; Honduras, 1 January, 1995; Hong Kong, China, 1 January, 1995; Hungary, 1 January, 1995; Iceland, 1 January, 1995; India, 1 January, 1995; Indonesia, 1 January, 1995; Ireland, 1 January, 1995; Israel, 21 April 1995; Italy, 1 January, 1995; Jamaica, 9 March 1995; Japan, 1 January, 1995; Jordan, 11 April 2000; Kenya, 1 January, 1995; Korea Republic of, 1 January, 1995; Kuwait, 1 January, 1995; Kyrgya Republic, 20 December 1998; Latvia, 10 February, 1999; Lesotho, 31 May 1995; Liechtenstein, 1 September 1995; Lithuania, 31 May 2001; Luxembourg, 1 January, 1995; Macao, China, 1 January, 1995; Madagascar, 17 November 1995; Malawi, 31 May 1995; Malaysia, 1 January, 1995; Maidives, 31 May 1995; Mali, 31 May 1995 Malta, 1 January, 1995; Mauritania, 31 May 1995; Mauritius, 1 January, 1995; Mexico, 1 January, 1995; Moldova, 26 July 2001; Mongolia, 29 January 1997; Morocco, 1 January, 1995; Mozambique, 26 August 1995; Myanmar, 1 January, 1995; Namibia, 1 January, 1995; Nepal, 23 April 2004; Netherland, (including the Netherlands Antilles), 1 January, 1995; New Zealand, 1 January, 1995; Nicaragua, 3 September 1995; Niger, 13 December 1996; **Nigeria, 1 January, 1995**; Norway, 1 January, 1995; Oman, 9 November 2000; Pakistan, 1 January, 1995; Panama, 6 September 1997; Papua New Guinea, 9 June 1996; Paraguay, 1 January, 1995; Peru, 1 January, 1995; Philippines, 1 January, 1995; Poland, 1 July 1995; Portugal, 1 January, 1995; Qatar, 13 January 1996; Romania, 1 January, 1995; Rwanda, 22 May 1996; Saint Kitts and Novis, 21 February 1996; Saint Lucia, 1 January, 1995; Saint Vincent and the Grenadines, 1 January, 1995; Senegal, 1 January, 1995; Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu, 1 January 2002; Sierra Leone, 23 July 1995; Singapore, 1 January, 1995; Slovak Republic, 1 January, 1995; Slovenia, 30 July 1995; Solomon Islands, 26 July 1996; South Africa, 1 January, 1995; Spain, 1 January, 1995; Sri Lanka, 1 January, 1995; Suriname, 1 January, 1995; Swaziland, 1 January, 1995; Sweden, 1 January, 1995; Switzerland, 1 July 1995; Tanzania, 1 January, 1995; Thailand, 1 January, 1995; Togo, 31 May 1995; Trinidad and Tobago, 1 March, 1995; Tunisia, 20 March, 1995; Turkey, 26 March 1995; Uganda, 1 January, 1995; United Arab Emirates, 10 April 1996; United Kingdom, 1 January, 1995; United States of America, 1 January, 1995; Uruguay, 1 January, 1995; Venezuela, 1 January, 1995; Zambia, 1 January, 1995; Zimbabwe 5 March 1995.

Source: WTO,2005.

APPENDIX VIII: STRUCTURED QUESTIONNAIRE GUIDE

DEPARTMENT OF POLITICAL SCIENCE,

FACULTY OF SOCIAL SCIENCES,

AHMADU BELLO UNIVERSITY, ZARIA

Dear Respondent,

SECTION A: INTRODUCTION

I am a post graduate student of the Department of Political Science and International Studies, Ahmadu Bello University, Zaria. I am currently undertaking a research aimed at assessing the effect of Nigeria's membership of World Trade Organisation (WTO) on the industrial sector. A study of textile industries in Nigeria. The purpose of the research is to collect a comprehensive data on the effects of Nigeria's membership on World Trade Organisation and its impact on industrial sector – A study of textile industries in Nigeria and this a part of my PhD dissertation.

You should please assist in answering the Questionnaire before you. You are expected to give your honest and since views on the questions ticking the options that bear your view to the questions below. I promise and urge you to be of rest assured that all information given here shall be treated for academic purpose.

Your response will be treated in total confidence.

Thank you for the anticipated cooperation.

Ahmed Aliyu Tanko

PhD/P15SSPS9017

SECTION B: BIO-DATA OF RESPONDENTS

Please can you introduce yourself by name, qualification, position held and name of your organization.

Instruction: Please tick (√) where appreciate.

1. Age (a) 18-25 (b) 26-30 ( ) (c) 30-40 ( ) (d) 41-50 ( ) (e) 51 and above ( )
2. Sex (a) Male ( ) (b) Female ( )
3. Marital Status (a) Married ( ) (b) Single ( ) (c) Divorced ( ) (d) Widowed ( )
4. Educational Level (a) primary ( ) (b) secondary school (c) Tertiary ( )
5. Occupation (a) Farming ( ) (b) Trading ( ) (c) Civil Servant ( ) (d) Student ( ) (e) Hawking ( )
6. Did you engage in textile business? (a) Yes ( ) (b) No ( )
7. If yes, for how many years _____ _____ And in what capacity (a) producer ( ) (b) Wholesaler ( ) (c) Retailer ( )

SECTION C

WTO'S MARKETS LIBERALIZATION AND TEXTILE INDUSTRIES IN NIGERIA

8. Nigeria has been a signatory of the WTO since 1995 and the agreement aims to achieve fair trade among members, principles such as non discrimination, free market access, special and differential treatment for developing countries, are meant to achieve balanced trade in an environment devoid of oppression by biggest and more developed countries, promotes free trade globally. What implication has over the local textile industries in your area? (a) Positive ( ) (b) Negative ( )
9. Is there any benefits textile sector could derives from WTO's trade liberalization? (a) Yes ( ) (b) No ( ) (c) little ( ) (d) Not at all ( )
10. If yes, state the benefits _____

    _____

    Considering the ultimate objective of World Trade Organisation as that of increasing the low standard of member countries attainment of full employment, the growth of trade income and expansion of production and trade in goods and services.
11. How has liberalization of markets by WTO affected textile output in your mill (a) Positive ( ) (b) Negative
12. If negative, state in what way_____
13. Is the current decline of the textile sector in the country attributable to WTO's liberalization of market (a) Yes ( ) (b) No ( )
14. WTO's Liberalization of markets saw massive influx of foreign firms into textile market in Nigeria. How is your firm surviving in this condition? (a) Fair ( ) (b) very fair ( ) (c) tough (d) very tough

15. Is your firm going by its industrial achievement operating at a comparatively disadvantage position (a) Yes ( ) (b) No ( )
16. Nigeria has a long history of textile and clothing manufacture due to the abundant of cotton-sustained dawn stream processing industries, from basic gaining to more complex fabric weaving activity. But recently, the textile sector, however, suffered a protracted decline. What do you think are the factors that are responsible for the decline? (a) poor infrastructure ( ) (b) low patronage ( ) (c) Stiff competition from external markets ( ) (d) lack of viable policy to protect textile sector in the country ( ) (e) all of the above ( )

SECTION D

EXPIRATION OF MULTIFIBER AGREEMENT (MFA), ACCESSION OF CHINA INTO WTO AND IT IMPLICATION ON TEXTILE SECTION IN NIGERIA

Textile and clothing industries was until recently one of the manufacturing Industries not subject to rules of GATT, issues instead it was subject to quotas and quantitative restriction on imports and exports otherwise known as Multi-fiber-Agreement.

17. As a textile producer, are you aware about the expiration of multifiber agreement? (a) Yes ( ) (b) No ( )
18. Is your firm (mill) better off during the MFA period? (a) Yes ( ) (b) No ( ) (c) Fair ( ) (d) Worst ( )
19. Prior the removal of MFA, was your textile mill operating at its maximum capacity utilization level? (a) Yes ( ) (b) No ( )
20. If yes explain _____

    _____
21. In the post MFA period what is the level of capacity utilization of your textile mill?_____
22. How does the elimination of the multi fiber agreement (MFA) impact on the textile out in your area? (a) Positive ( ) (b) Negative ( )

22(a) Please could you justify your answer above:

23. What are the potential implications of abrogation of MFA on textile raw materials and markets in your area? (a) Positive ( ) (b) Negative ( )

23(a) Please could you justify your answer above:

24. Do you agree that MFA removal has given china a global supremacy and dominance over textile production and imports across the developing countries? (a) Strongly Agreed ( ) (b) Strongly Disagreed ( )

25. Do you think that the phasing out MFA provided greater opportunity for Chinese to make a significant inroad into Nigeria's textile markets? (a) Agreed ( ) (b) disagreed ( ) (c) Strongly Agreed ( ) (d) strongly disagreed ( )

25(a) Please could you justify your answer above:

26. With the accession of china into WTO, did you felt that the future of textile sector in Nigeria is at stake? (a) Yes ( ) (b) No ( )

26(a) Please could you justify your answer above:

27. How does the accession of china to WTO impacted on your textile mill?
(a) Positive () (b) negative ( )

27(a) Please could you justify your answer above:

28. Has your mil threatened by increased influx of cheap Chinese textile imports in Nigeria? (a) Yes ( ) (b) No( )

28(a) Please could you justify your answer above:

29. If yes, in what way _____

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30. What do you consider are the factors that aided the importation of Chinese textile products to flood the Nigeria's textile markets? (a) cheap price ( ) (b) They are more qualitative than locally made ones ( ) (c) they are well-designed ( ) (d) they are more durable ( ) (e) All of the above ( )

SECTION E

WTO TRADE RULES, POLICIES AND TEXTILE INDUSTRIES IN NIGERIA

31. Are you of the view that Nigeria's adoption of WTO agreement greatly undermined her industrial sector particularly the textile industries? (a) yes ( ) (b) No ( )
32. If Yes, in what way _____
33. Was your textile mill recording more productive success and markets successful under the era of GATT agreement (a) Yes ( ) (b) No ( ) (c) Partially ( )
34. During GATT era what was capacity of production of your textile mill? (a) high ( ) (b) optimal ( ) (c) relatively optimal ( ) (d) under capacity Utilization ( )
35. Has your textile mill affected by any WTO's trade rules and policies? (a) Yes ( ) (b) No ( ) (c) Partially ( )

35(a). Please could you explain in what ways?

36. Have these policies and trade rules paved a way for Chinese dominance in local textile market in your area? (a) Yes ( ) (b) No ( ) (c) Partially ()
37. Do you agree with the view that weak enforcement of the import prohibition policy by the Nigerian government affected textile industries in Nigeria? (a) Agreed ( ) (b) Not Agreed ( ) (c) Strongly Agreed ( ) (d) Strongly Disagreed ( )
38. Are you of the view that inadequate domestic demand and low patronage led to collapse of local textile industries in Nigeria? (a) Yes ( ) (b) No ( )

38(a) Could please expatiate how?

39. Can Nigeria still be part and committed to some of the WTO's trade rules and agreement? (a) Yes ( ) (b) ( )

39(a) Please could you justify your answer above:

40. Can you suggest a possible ways for Nigeria to overcome some of these challenges that confronted her industrials and textile sector?

_____

_____

_____

APPENDIX IX:STRUCTURED INTERVIEW GUIDE

DEPARTMENT OF POLITICAL & INTERNATIONAL STUDIES,

FACULTY OF SOCIAL SCIENCES,

AHMADU BELLO UNIVERSITY, ZARIA

Dear Respondent,

I am a post graduate student of the Department of Political Science and International Studies, Ahmadu Bello University, Zaria. I am currently undertaking a research aimed at assessing Effects of the Expiration of the Multi Fibre Agreement on Nigeria's Textile industries; 2001 - 2015: A Focus on NICHEMTEX LIMITED, LAGOS AND TOFA TEXTILE INDUSTRY, KANO.

The purpose of the research is to collect a comprehensive data on the above mentioned topic, as this is part of the requirements for PhDDissertation. You should therefore, please assist in answering the questionsappropriately. You are expected to give your honest and sincere views on the questions. I promise and urge you to be rest assured that all information given here shall be treated strictly for academic purpose.

Thank you for the anticipated cooperation.

AHMED, Aliyu Tanko

PhD/P15SSPS9017

QS(1) The most important agreement that established the World Trade Organization (WTO) is the MARRAKESH AGREEMENT ESTABLISHING THE WORLD TRADE ORGANISATION 1994. It was initially believed that the Uruguay Round would improve chance of developing countries like Nigeria, by increasing the exposure to foreign markets as well as rendering easier their access to the said markets. But this did not happen in reality. What do you think are the factors responsible for that?

Qs(2) WTO agreement such as Doha Round, Urugauy Round and Marakesh agreement have always been a conflict between developed countries on the one hand and developing countries on the other as to how to accommodate the interest and needs of the letter group within the multilateral trading system. What effort has Nigeria putting in place to protect her own needs and interest in WTO?

Qs (3) WTO's trade liberalization policies encourages countries to export as much as they can and to import as little as they can. Behind this background, therefore, countries tend to guard their domestic markets jealously while aggressively seeking access to the market of other countries. Is Nigeria doing the same, to expand her exports horizons and also to limit the imports in the country?

Qs(4) Existing commitments to WTO trade agreements was regarded by many as the most toxic commitment to her industrial sector. Is there any way for the country to look for a new modalities for such commitment?

Qs(5) Nigeria is poorly represented at the WTO, the country's trade mission in Geneva lacks expertise that can strategies and fast track Nigeria's trade benefits. Beside, anybody who has been closely following the trade policy processes in Nigeria for a reasonable period of time would agree that, the participation of stakeholders at the domestic front in shaping the country's position at the WTO has been minimal and uncoordinated. With this, many tend to believe that such attitude has also negatively affected industrial sector. What is your take on this?

Qs(6) The WTO rules on anti-dumping, subsidies and counter veiling measures, and safe guard measures require a country to establish legal and institutional framework for the enforcement of these rules. The absence of such an institution in Nigeria means that we are handicapped to take anti-dumping, counter-veiling, or safeguard measures to protect the domestic economy from unfair competition arising from exports when the need arises. So what are we doing to see that we adopt and implement such measures?

Qs(7) the MFA governed world trade in textile for decades. MFA's effective conclusion in 2005 reshaped world textile and fiber markets. How were Nigerian textile industries able to adjust or cope to these new changes after the removal of multi fibre agreement?

Qs (8) In some countries, the practical implementation of the WTO agreement sometimes lagged behind its theoretical prescriptions, but in this country, we fully embraced such agreements without reflecting on their significant effects on our industrial sector. Is there any shift on that?

Qs(9) Can we say that Nigeria is now regretting her embracing full commitment on WTO's trade agreements?

Qs(10) Please could you give plausible solution for the current predicaments of textile industries in Nigeria?

APPENDIX X:STRUCTURED FOCUS GROUP DISCUSSION GUIDE

DEPARTMENT OF POLITICAL & INTERNATIONAL STUDIES,

FACULTY OF SOCIAL SCIENCES,

AHMADU BELLO UNIVERSITY, ZARIA

Dear Respondent,

I am a post graduate student of the Department of Political Science and International Studies, Ahmadu Bello University, Zaria. I am currently undertaking a research aimed at assessing Effects of the Expiration of the Multi Fibre Agreement on Nigeria's Textile industries; 2001 - 2015: A Focus on NICHEMTEX LIMITED, LAGOS AND TOFA TEXTILE INDUSTRY, KANO.

The purpose of the research is to collect a comprehensive data on the above mentioned topic, as this is part of the requirements for PhDDissertation. You should therefore, please assist in answering the questionsappropriately. You are expected to give your honest and sincere views on the questions. I promise and urge you to be rest assured that all information given here shall be treated strictly for academic purpose.

Thank you for the anticipated cooperation.

AHMED, Aliyu Tanko

PhD/P15SSPS9017

STRUCTURED FOCUS GROUP DISCUSSION GUIDE

1. Please can you introduce yourself by name, qualification, position held and name of your organization?

2. Sir/Madam, WTO's trade liberalization policies encourage countries to export as much as they can and to import as little as they can. Behind this background, therefore, countries tend to guard their domestic markets jealously while aggressively seeking access to the market of other countries. Is Nigeria doing the same, to expand her exports horizons and also to limit the imports in the country?

3. Is there any benefits textile industries stand to gain from WTO's trade liberalization?

4.How has liberalization of markets by WTO affected textile industries in Nigeria?

5.Sir/Madam, do you consider the current near collapse of the textile industries in Nigeria attributable to WTO's liberalization of market?

6. WTO's Liberalization of markets saw massive influx of foreign firms into textile market in Nigeria. How is your firm surviving in this condition?

8. As a textile Producer/Marketer, are you aware about the elimination of Multifiber agreement?

9. How does the elimination of the Multi fiber agreement (MFA) impact on your textile industry?

10.Do you agree that MFA removal has given china a global supremacy and dominance over textile production and imports across the developing countries?

11.How does the accession of china to WTO impacted on your textile industry?

12.Has your industry been threatened by increased influx of cheap Chinese textile imports in Nigeria?

13.Are you of the view that inadequate domestic demand and low patronage led to the collapse of textile industries in Nigeria?

14. Has your textile mill been affected by any of the WTO's trade rules and policies?

15. Do you agree with the view that weak enforcement of the import prohibition policy by the Nigerian government affected textiles industries in Nigeria?

16. Are you of the view that inadequate domestic demand and low patronage led to the collapse of textile industries in Nigeria?

17. Do you still wants Nigeria to be part and committed to the WTO's trade rules and agreement?

18.In your own view, what are the challenges confronting textile industries in Nigeria?

19.What are the possible solutions for overcoming these challenges?

Thank you Sir/Madam, for granting us an audience, despite your busy schedule.

APPENDIX XI

LISTS OF SOME TEXTILE COMPANIES THAT CLOSED DOWN IN NIGERIA

S/N	Companies	Types	Location
(a)	**(b)**	**(c)**	**(d)**
1.	Hufawa	Textile	Kano State
2.	Intertan	Textile	Kano State
3.	Multitan	Textile	Kano State
4.	Nakudu	Textile	Kano State
5.	Kano Textile Limited	Textile	Kano State
6.	Afrimpex	Textile	Kano State
7.	Harmatan	Textile	Kano State
8.	Enpee	Textile	Ilupeju, Lagos State
9.	Nelco	Textile	Ilupeju, Lagos State
10.	NSF	Textile	Ilupeju, Lagos State
11.	Weaving and Processing	Weaving	Ilupeju, Lagos State
12.	Swantex	Textile	Ilupeju, Lagos State
13.	Textile Specialities	Textile	Ilupeju, Lagos State
14.	ASSAN Industries	Textile	Ilupeju, Lagos State
15.	Jaybee	Textile	Ilupeju, Lagos State
16.	K-Issardas	Textile	Ilupeju, Lagos State
17.	Bhojaraj	Textile	Ilupeju, Lagos State
18.	Teev-Gold Star	Textile	Ilupeju, Lagos State
19.	Amarito-Umbrella	Textile	Ilupeju, Lagos State
20.	AD Gulas	Textile	Ilupeju, Lagos State
21.	Five Star	Textile	Isolo, Lagos State
22.	Afprint	Textile	Isolo, Lagos State
23.	Daltex	Textile	Isolo, Lagos State
24.	Varaman	Textile	Isolo, Lagos State
25.	Royal Spinners	Textile	Isolo, Lagos State
26.	GDM	Textile	Isolo, Lagos State
27.	Aswani	Textile	Isolo, Lagos State
28.	Arcee	Textile	Isolo, Lagos State
29.	Rekha	Textile	Isolo, Lagos State
30.	King Carpet	Textile	Isolo, Lagos State
31.	Emar	Textile	Isolo, Lagos State
32.	President	Textile	Isolo, Lagos State
33.	Elite	Textile	Isolo, Lagos State
34.	Moon Diamond	Textile	Isolo, Lagos State
35.	Pacific	Textile	Isolo, Lagos State
36.	Eurosport	Textile	Isolo, Lagos State
37.	Barclays Clothing	Textile	Isolo, Lagos State
38.	ITI	Textile	Isolo, Lagos State
39.	Wabterry	Textile	Isolo, Lagos State
40.	Nigeria Fishing Net	Textile	Isolo, Lagos State
(a)	**(b)**	**(c)**	**(d)**
41.	Shiram	Textile	Isolo, Lagos State
42.	Monarch	Textile	Isolo, Lagos State

43.	Aflon	Textile	Isolo, Lagos State
44.	Texlon	Textile	Amuwo Odofin, Lagos State
45.	Diamond Spinners	Textile	Amuwo Odofin, Lagos State
46.	United Spinners	Textile	Amuwo Odofin, Lagos State
47.	Top Star	Textile	Amuwo Odofin, Lagos State
48.	Tarpaulin	Textile	Amuwo Odofin, Lagos State
49.	Steep	Textile	Amuwo Odofin, Lagos State
50.	Coats West Africa	Textile	Amuwo Odofin, Lagos State
51.	Panache	Textile	Amuwo Odofin, Lagos State
52.	Pyramid	Textile	Amuwo Odofin, Lagos State
53.	Central Bag Subaco	Textile	Amuwo Odofin, Lagos State
54.	Globe Spinning	Textile	Amuwo Odofin, Lagos State
55.	Abel Abu	Textile	Ikorodu, Lagos State
56.	First Spinners	Textile	Ikorodu, Lagos State
57.	Century and Platinum	Textile	Ikorodu, Lagos State
58.	Kay Industries	Textile	Ikeja, Lagos State
59.	NTM	Textile	Ikeja, Lagos State
60.	Specomill	Textile	Ikeja, Lagos State
61.	Reliance	Textile	Ikeja, Lagos State

Source: V Olote, "Nigeria: Over 100 Textile Companies Shut Down", **Thisday Newspaper**, (Wednesday, 8 Nov. 2012), pp. 2-3.

APPENDIX XII

LIST OF TEXTILES COMPANIES THAT BENEFITTED FROM COTTON TEXTILE AND GARMENT LOAN SCHEME

S/N	Names	Remarks
(a)	(b)	(c)
1.	Alkem Textile	
2.	Atlantic Textile	
3.	Coats Textile	
4.	Coysyn Textile	
5.	Fermro 3 Textile	
6.	Globe Spin Textile	
7.	Haffar Textile	
8.	Ijora Tex	
9.	Spinex	
10.	Sunflag Textile	
11.	Stallion	
12.	United Nigerian Textile Limited, Lagos	
13.	Woollen and Synth	
14.	African Tex	
15.	Angel Textile	
16.	Adhama Garment	
17.	Holbourn Textile	
18.	Integrated Textile	
19.	Nigerian Spinner and Dyes	
20.	Terry tex	
21.	Universal Textile	

Source: Bank of Industry, 2015