

TOWARDS ADDRESSING NIGERIA'S DEVELOPMENT CRISES: THE ROLE OF SOCIAL CAPITAL THEORY

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Abstract

A careful glimpse of underdevelopment status in Nigeria reveals myriads of challenges such as economic backwardness, political instability, corruption, unemployment declining Agricultural fortunes, decaying infrastructures, poor manufacturing and exporting capacity, terrorism, insurgency, inequality and poverty. In the past, most scholars suggested various theories suitable for the development of African economy and Nigeria in particular, but those theories seems to provide more problems than solution. On this backdrop, this study entitled "Towards Addressing Nigeria's Development Crises: The Role of Social Capital Theory" was conducted to unwrap the benefits of Social Capital Theory in Nigeria. By means of content analysis, this study employs secondary source of information to examine the issues in discourse. Findings revealed that the development of two or more individuals leads to the development of a group; and whenever a group collectively develops, then the community is developing; as more and more groups develop, the entire nation is said to be developing. It is therefore recommended that Policy makers must make policies that will promote social inclusion; provides equal educational opportunities, provide social capital credits and generate employment opportunities for all social classes with special focus on the poor.

Keywords: Social Capital, Development, Crises, Nigeria, Underdevelopment

Introduction

The unwholesome state of underdevelopment in Africa and in Nigeria in particular, characterized majorly by poverty, insecurity and infrastructural decay is no longer new, but the incessant and recurring crises calls for concern. This situation has not just awakened the quest for Scholarly opinion on the pathway to Africa development but has brought about an unabated search through formulation and re-formulation of development theories by Scholars to remedy the situation. It is unfortunate that Africa and Nigeria in particular still remains

underdeveloped despite the adoption of various development theories. Many Scholars argued that most of the theories are not suitable for Africa development. For instance, the development theories postulated by W.W. Rostow, Emile Durkheim and David Easton, who opined that the road map for the development of developing economies is to emulate the steps taken by the developed countries; encourage trade liberalization, allow foreign direct investment, import technology, and investible capital from international financial institutions, does not help matters. Their failures was attributed to the fact that these theories condemns traditional institutions without seeing their worth, fails to acknowledge indigenous patterns of development and does not understand that the problems of Development in Africa today differs greatly from those of Europe and North America (Ake, 1981).

It is therefore pertinent for Africa and Nigeria in particular to seek for an alternative path to development, given the failures of the past efforts. Social Capital Theory is seen as one of the most viable option that can curtail the status of underdevelopment in Nigeria. It worth noting that Scholars such as Durkheim, Marx and Weber postulated the theory of Social Capital to address situations which modernization theory and other similar theories have no solutions. According to John Field (2003), the central thesis of social capital theory is that relationships matter. The fundamental idea is that social networks are a valuable asset, because interaction enables people to build communities, to commit themselves to each other, and to knit the social fabric. These it is argued, bring great benefits to people. There is now a range of evidence that communities with a good stock of such social capital are more likely to benefit from lower crime figures, better health, higher educational achievement, higher political participation and better economic growth (Halpern, 2009).

However, there can also be a significant downside if Social Capital Theory is not properly adopted. Groups and organizations with high social capital have the means to work to exclude and subordinate others. As pointed out by Bourdieu, (1986), social capital exists for the benefit of the dominant class. How they subordinate and subjugate other groups in the society. This according to the study breeds inequality in the society, where there are special schools and hospitals among others for the dominant group. If this does not stop the society is in danger of increased social vices and crime. It is therefore advisable for government to

enhance Proper management of Social Capital among various groups in the Society in order to curb the menace.

It is on this background that this paper is setup to examine "Toward Addressing Nigeria's Development Crises: The Role of Social Capital Theory". The purpose of this research is to discuss the benefits of Social Capital theory towards development in Nigeria and to provide an alternative strategy to national development. In the course of this contribution, attempt will be made to provide conceptual clarifications to Social Capital and Development. The study equally reviewed topics such as Development Crises in Nigeria, understanding Social Capital Theory Social Capital Theory as an alternative Development strategy in Nigeria. The study ends with Conclusion and recommendations.

Conceptual Clarifications

Social Capital

There is no single acceptable definition of Social Capital as there is no agreement in defining the concept. Fukuyama (1995) described social capital as "shared norms or values that promote social cooperation, instantiated in actual social relationships". This might not give complete picture of what social capital is all about. For a better understanding of the concept, Hanifan in his definition described Social Capital as follows:

"I do not refer to real estate or to personal property or to cold cash, but rather to that in life which tends to make these tangible substances count for most in the daily life of people namely goodwill, fellowship, mutual sympathy and social intercourse among a group of individuals and families who make up a social unit" (Hanifan, 1916).

This definition is still relevant today because if an individual will come into contact with his neighbour and this neighbour with other neighbours, there will be an accumulation of social capital thereby improving his social needs and general living conditions of the whole community.

In addition, Putnam (2000) viewed Social Capital as connections among individuals and the norms of reciprocity and trustworthiness that arise from them. This implies that through Social Capital people create social networks and social

relationships, trust and norms of engagement that ease these interactions for social solidarity and inclusion. Social capital knit communities together, laying down the negotiated basis of social life where people support and do things for each other and which in turn, provide the grounding for general economic productivity and growth.

Development

The concept of development over the years shows a massive revelation of contradictions, perhaps because it is a multidimensional concept. In its most simplistic form, development could mean progress or change for the better. In line with this, Rodney (2009) observed that, at the level of individual, development implies increased skill and capacity, greater freedom, creativity, self-discipline, responsibility and material well-being. The above definition, which viewed development at the individual level, implies that through Social Capital, skills and other necessary things for life possessed by an individual can easily be shared by members of the group. In addition, the World Bank (1994) defines development as the act of improving standards of living over a long term, by providing the society with better education, health, housing, transport facilities and infrastructures, industrialization and technology. This definition implies that a mere increase in GDP is not development, but shows that development refers to advancement or conscious transformation of a society and its people in a given geographical area from an undeveloped stage to a developed one. And Where there is corresponding decline or retrogression in the quality of life for a significant portion of the population, we describe that as the state of under-development (Rodney, 2009). In effect, development and under-development connotes a relational state in which one mirrors the exact absence of the other in the nation concern.

Dudley Seers in his analysis put the definition in better terms:

The questions to ask about a country's development are therefore: what has been happening to poverty? What has been happening to unemployment? What has been happening to inequality? If all three of these have declined from high levels, then beyond doubt this has been a period of development for the country concerned. One or two of these central problems have been growing worse especially if all three have, it would be strange to call the result "development" even if per capita income is doubled (Seers as cited in Todaro and Smith, 2006).

On this note, development can be seen as the ability of a nation to improve the lives of its citizens. Measures of improvement may be material, such as an increase in the Gross Domestic Product (GDP), or social, such as literacy rates and availability of healthcare. Others are the provision of basic and necessary social and technological infrastructure such as education, good health and ability of government to solve the existing needs and problems of the entire society. When these are provided, poverty, inequality and unemployment will be at low level.

Theoretical Perspectives of the Nigeria Development Crises

There is no doubt that over 50% of the Nigeria problems are synonymous with Africa problems in general. It is well known that the development crisis in Africa is traceable to slavery activities, colonialism and neo-colonialism. Rodney (2009) and Ake (1981), who write extensively on Africa development, posit that the development crises in Africa cannot be discussed without reference to colonial legacy and neo-colonial activities. By using Marxist political ideology, Rodney (2009) argues that a combination of power politics and economic exploitation of Africa by Europeans led to the poor state of African political and economic development evident in the late 20th century. The issue of underdevelopment in Nigeria is not exempted from these unwholesome activities. But restricting development crises in Nigeria to the effects of colonial activities after 60 years of political independence seems outrageous. Igwe (2010) observed that, while colonialism is one of the causes of underdevelopment in Africa, other factors need to be put into considerations. Among these factors according to Igwe is corruption, meaning Nigeria development has been undermined and retarded by the menace of corrupt practices. Other Scholars like Mato K. et al (2011) posits that the cause of Nigeria development crisis is poor governance. This is true because, whenever a leader gets it right there is bound to be development but when he gets it wrong the nation suffers. Therefore, the issue of poor infrastructural facilities, insecurity, unemployment and poverty in Africa are seen as the manifestation of colonialism, corruption and Poor governance, amongst others. This unwholesome situation has raised concerns among liberation movement, Scholars and leaders globally.

In an attempt to address the lingering development crises in the Third World and Africa in particular, four main theories has been developed in the past - the modernisation theory, the dependency theory, the global systems theory and the globalisation theory. The modernization theory, postulated by W.W Rostow and others, which process entails five stages namely traditional society, preconditions

for take-off, take-off process, the drive to maturity, and high-mass consumption society; presumed that Third World Countries such as Nigeria are traditional, while the developed Western countries are modern. To develop therefore, like the other underdeveloped countries in Africa, Nigeria needs to adopt Western values and systems. Most scholars questioned this theoretical approach on the ground that it is not suitable for developing economy such as Nigeria. Important issues in developing countries, especially poverty, are beyond the understanding of the modernization school of thought. Modernization theory condemns traditional institutions without seeing their worth, fails to acknowledge indigenous patterns of development and does not understand that the problems of Development in Asia, Africa or Latin America today differs greatly from those of Europe and North America (Ake, 1981).

As a critique to modernization theory, the Dependency theory argues that the origins of persistent global poverty cannot be understood without reference to the entire international economic system. The theory first emerged in Latin America amongst social scientists such as Raul Prebisch - an Argentinian economist who was Secretary to the UN Economic Commission for Latin America in the 1950s. The ideas of dependency were also developed, amongst others, by other Latin American social scientists such as Celso Furtado, Theotonio Dos Santos and F H Cardoso; by Samir Amin of Senegal, by Andre Gunder Frank of Germany and by Paul Baran. The dependency theorists characterised the international system as comprising two sets of states, variously described as dominant/dependent, centre/periphery or metropolitan/satellite. The advanced industrial nations in the Organization of Economic Cooperation and Development (OECD) are the dominant states. The Latin American, Asian, and African states, including Nigeria, which have low per capita GNPs and heavily rely on the export of a single commodity for their foreign exchange earnings are the dependent states. Given this scenario the dependency theorist believed that underdevelopment is not a condition but an active process of impoverishment linked to development, which means that some parts of the world are underdeveloped because others are developed. In other words, economic growth in advanced countries created Third World poverty.

However, Immanuel Wallerstein and his group later observed that that there are new activities in the capitalist world economy which cannot be explained within the purview of the dependency theory. According to the group, the development

in East Asia (Japan, Taiwan, South Korea, Hong Kong, and Singapore) which continue to experience a remarkable rate of economic growth, cannot be explained by dependency theory. The group equally revealed that the dependency theory cannot equally be applicable to the widespread crisis among the socialist states which included the Sino-Soviet split, the failure of the Cultural Revolution, economic stagnation in the socialist states, and the gradual opening of the socialist states to capitalist investment. Equally important is the crisis in North American capitalism which included the Vietnam War, the Watergate crisis, the oil embargo of 1975, the combination of stagnation and inflation in the late 1970s, as well as the rising sentiment of protectionism, which cannot be explained by dependency theory. Following from above, world system theory was developed by Wallerstein and his group in 1987 to recognize that there are worldwide conditions that operate as determinant forces, especially for small and underdeveloped nations, and that the nation-state unit of analysis is no longer the only useful category for studying development, particularly in the Third World. They therefore argue that the variables that had the greatest impact on the internal development of small countries were the new global systems of communications, the new world trade mechanisms, the international financial system, and the transference of knowledge and military links.

And last is the Globalization theory. Globalization is use to describe the increasing interconnectedness and interdependence among world regions, nation's government, business, institutions, communities, families and individuals (Obadan, 2003). The definitions above implies that globalization is a global perspective and conjures pictures of borderless world, global village, economic integration, reproduction of issues, cultural diffusion, liberalized economy, technological revolution, policies transfer, transmission of knowledge and in general worldwide impact. Globalisation scholars argue that the major modern elements for the interpretation of development are the cultural links among nations, rather than their economic, financial and political ties. In this cultural communication, one of the most important factors is the increasing flexibility of technology in connecting people globally. It is unfortunate that Africa and Nigeria in particular have no capacity to compete globally. Due to globalization, many brands and businesses in poorer developing countries go bankrupt, as they cannot survive the economic might of these developed countries.

Understanding Social Capital Theory

Social Capital Theory has been theorized in various forms by Durkheim, Marx and Weber and later followed by the works of other scholars such as Bourdieu, Coleman, Putnam and many others. The work of James Coleman in the United States who worked within the framework of rational choice economic theory will provide a clue as regard to the understanding of Social Capital Theory. According to Coleman, (1994), social capital is not a single entity but a variety of entities having two characteristics in common, consists of some aspect of a social structure and facilitates certain actions of individual who are within the structure. This implies that, in Social Capital, the importance of each social group within the community cannot be neglected, because the actions of one within a given social structure influence another and the development of one influences the development of another. These groups are in various forms. According to Sabatini (2006), social networks is composed by informal networks of strong families ties (bonding social capital), informal networks of weak bridging ties connecting friends and acquaintances (bridging social capital), formal networks connecting members of voluntary organizations (linking social capital) and formal networks of activists in political parties (identifying social capital). This implies that relationship start from home, school, church, mosque and other voluntary, involuntary, formal or informal organisations.

To build a strong and workable Social Capital, members of each of the group must be patient, because Social Capital needs time to be accumulated. The popular adage "Rome wasn't built in a day" cannot be neglected when talking about Social Capital. Just as it takes time to build a strong relationship, it also takes time to build Social Capital. Social Capital cannot be built in a day because building or rebuilding community and trust requires face-to-face encounters and interactions (Beem, 1999). According to Sabatini (2006), the effectiveness and success of Social Capital to a large extent, depends on the frequency of social contacts. Sabatini further stressed that the frequency of contact raises social capital because the repetition of interactions is usually the funding element of reciprocity among individuals. Expectations and obligations will build up and evolve together with interaction and the highest is frequency the clearest is the set of expectations and obligations between two individuals and the group.

The situation is different in a homogenous group. In a homogenous group in which membership is exclusive for those people representing a certain value or interest, the building process or accumulation of Social Capital is not merely

through the repetition of contacts. This is because, people belonging to the same group feel that they share some common values and do not necessarily need to interact to define their respective expectations and obligations. In this respect, family ties, friends, members of the same political parties build a very strong social capital to be benefitted by their members.

It's equally important to note that the degree of concentration of contacts around a single individual within a group, perhaps because of his hierarchy, is another major determinant of the effectiveness of Social Capital. Hierarchy raises social capital accumulation because it makes the allocation of expectations and obligations clearer. In fact, it is believed that an individual positioned at the top hierarchy will likely be of higher benefits to the members than an individual placed at lower cadre. Friends, families and members of a given voluntary organisations accumulates this type of social for the benefit of all.

Social Capital Theory as an Alternative Development Strategy in Nigeria

The search for development strategy, which continues unabatedly over the years in Nigeria without an acceptable solution, is a call for a new strategy of development. Scholars such as Durkheim, Marx and Weber postulated the theory of social capital to address situations which modernization theory and other similar theories have no solutions. It is no longer new that the Nigeria state is bedevilled with series of challenges such as poor economic growth, corruption, unemployment, decaying infrastructures, terrorism and poverty; a sign that Nigeria needs to go back to the drawing and re-strategize for a better nation. The Nigeria state is a complex entity comprising of 36 state governments, 774 local governments and six geo-political zones of South-South, South-West, South-East, North-West, North Central and North-East. There are equally various governmental and non-governmental organizations including civil society organizations, labour unions and professional associations. Each and every group has the potential to grow both individually and as a group, by promoting unity while at the same time preserving existing diversities within an overarching national entity. It is important to stress that for Nigeria to still remain one nation despite all this challenges, there is a desire among the people to live and grow together without necessarily losing their identities. According to Ake (1981), the cultural practice of the pre-colonial Africa, where Africa leaves in peace and harmony with one another, has since been replaced during colonialism. This situation has generated ethno-religious crises among Nigerians such that

extension of relationship no longer has value. According to John Field (2003), the central thesis of social capital theory is that 'relationships matter. It is argued that social networks are a valuable asset to people, because interaction enables people to build communities, to commit themselves to each other, and to knit the social fabric.

It is pertinent to note that national development is a product of individual development, because the development of two or more individuals leads to the development of a group, and whenever a group collectively develops, the community is developing. As more and more groups develop, the entire nation is said to be developing. Development of all the groups within the community or the entire society means the development of all the citizens and the nation as whole. In social capital, no single individual is said to be developing leaving others behind, except he has no family, relatives, friends or colleagues. According to Putnam (2000), Child development is powerfully shaped by social capital. Trust, networks, and norms of reciprocity within a child's family, school, peer group, and larger community have far reaching effects on their opportunities and choices, educational achievement, and hence on their behaviour and development. Putnam equally pointed out that, in high social-capital areas public spaces are cleaner, people are friendlier, streets are safer and poverty less.

With this, we can understand that social capital allows citizens to resolve collective problems more easily. People often might be better off if they cooperate with each other. Without social capital it would have been difficult for someone to donate his car for his friend or colleague wedding or for any emergency. But through social capital one can donate his resources freely for others to benefit. An individual who donates his or her resources does so not because he is seeking direct repayment from the recipient, but because they are part of the same social structure. This is true in the case of obtaining scholarship and finding better job through social capital process. According to this view, individuals could use social capital to further their own career prospects. The goal is to reintegrate those marginalised from the rewards of the economic system into the community.

In addition, Social Capital also serves as conduits for the flow of helpful information and assistance that facilitates achieving our goals. Without flow of information, one can miss various opportunities and end up not achieving his goals. This occurs in health, economy, education etc. For example, a person who is

sick with cancer may receive information, money, or moral support he or she needs to endure treatment and recover. A person, who is ignorant of his civic duties such as voting in an election, obeying laws, paying taxes, involves in community sanitation and participates in civil society, may equally be inform by his pair.

Some have equally argued that social capital reduces the gap between the rich and the poor in the society. Putnam (2000) viewed community and inequality as 'mutually reinforcing, with casual arrows running in both directions. This implies that social capital leads to inequality and at same time reduces inequality. If one neighbour helps another neighbor and other neighbours do the same, then inequality can be reduce in our society. In the same vein, social capital reduces crime rate and can increase it if a nation failed in discharging her responsibility in term of crime control mechanism. In a case where the country is dominated by good social groups, the few with intention of involving in criminal activities will have no option than to join stronger ties free of crime, thereby reducing crime rate in the country. But in a situation where there are many criminal gangs in the country, the adverse effect is increase in criminal activities. Terrorisms in Nigeria can be minimized if Social Capital is strongly encouraged.

In addition, According to Putnam and his followers, social capital is a key component to building and maintaining democracy. He believes that a strong social capital is necessary for a strong democracy and strong economic growth. There are many factors that drive people towards the ballot box, including education, employment, civil skills, and time. Through social capital all these can be acquired. For example, Bookman (2004) argues that we need to extend our appreciation of what constitutes community participation, especially if we are interested in what women do. In Nigeria, this is true, because women are more likely found in most social groups such as tribal meetings or any form of cooperative society than men. This suggests that women do not vote at similar levels as men and in some cases women are becoming more prevalent at the ballot box than their men counterparts. In a nut-shell, social capital increases political participation.

It is equally important to point out that an organization cannot succeed without proper membership mobilization and control. This can only be done through social capital. When there is no trust and cooperation between the workers, there

is no how a manager will succeed. The success of a manager depends on his ability to establish good social capital. He must make sure his employees trust him. The manager might decide to reduce transaction costs, due to a high level of trust and a cooperative spirit, both within the organization and between the organization and its customers and partners. This suggests that where trust and social networks flourish, individuals, firms, neighborhoods, and even nations prosper economically.

Conclusion and Recommendations

The failure of past development theories to address development crisis in Nigeria is a major concern and as such calls for an alternative development theory. Social Capital Theory is seen as a viable option that can minimize the status of underdevelopment in Nigeria. The central thesis of social capital theory is that 'relationships matter' and is been strengthen by the level of trust. For Fukuyama (1995), trust provides the oil for social interaction and associations. Trust brings about greater cooperation that knit society together thereby enabling the members of the society to benefit individually and collectively. The impacts of social capital to community and national development were clearly stated in this paper. It was pointed out that social capital increases political participation, improves economic growth, reduces inequality, reduces crime rate, improves managerial capability and equally provides information that aid educational attainment and good health.

Policy makers must make policies that will promote social inclusion; provides equal educational opportunities, provide social capital credits and generate employment opportunities for all social classes with special focus on the poor.

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