

Effect of Globalization on Entrepreneurship Development in South- East, Nigeria

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Abstract

The study was on the effect of globalization on entrepreneurship development in South-East, Nigeria. The specific objectives include to: Determine the impact of globalization on exchange rates on the entrepreneurship development in South- East, Nigeria; evaluate the effect of globalization on capacity utilization on the entrepreneurship development in South- East, Nigeria. The research survey design was used. The administration of a questionnaire to the management and staff of the manufacturing firms. Out of the Population of 78,974 personnel, 543 staff was sampled. The sample size of 543 was chosen after applying the Freund and William's formula for the determination of adequate sample size. Out of the staff sample, 514 staff returned the questionnaire and accurately filled. The validity of the instrument was tested using content analysis, and the result was excellent. The reliability was tested using the Pearson correlation coefficient (r). It gave a reliability coefficient of 0.85 which was also good. The data were analyzed using f-statistics (ANOVA) tool. The result showed that globalization on exchange rates has no positive effect on the entrepreneurship development in South- East, Nigeria $f(n = 514) = 1553.630, P < 0.05$; that globalization on capacity utilization has no positive effect on the entrepreneurship development in South- East, Nigeria $f(n = 514) = 4471.153, P < 0.05$. The study concluded that globalization on exchange rates has no positive effect on the entrepreneurship development in South- East, Nigeria, and globalization on capacity utilization has no positive impact on the entrepreneurship development in South- East, Nigeria, Globalization leads to the increased interconnectedness of national economics, it creates more wealth in developing countries through entrepreneurship development.. It was recommended that government

should reposition its policies to monitor the activities of these agents of globalization and exchange rates as it affects entrepreneurship development. The careful efficiency of the process of production and capacity utilization should be adopted by firms to sustain competitive advantage over other competing firms.

Keywords: Globalization, Entrepreneurship Development

Introduction

Globalization is observed as the economic integration and interdependence of national economies across the globe, which oases a high increase in cross-border movement of commodities, services, technology, financial and human resources, prompted and facilitated by economic liberalization and information technology (Oyedele, Kareem, and Akanobi, 2016). Mohammed (2015), posits globalization as a process of rapid economic, cultural, and institutional integration among countries. This collaboration is driven by the liberation of trade, investment and capital flow, technological improvements and pressures for assimilation towards international standards. Globalization creates a way for new market development, especially the ones that are formally barriers, the ability to gain substantial resources which include labor, capital and knowledge on a worldwide basis, and the chance to be involved in global generation Networks. (Kenneth, Jennifer, and Jason (2013). Globalization leads to the increased interconnectedness of national economies; it creates more wealth in developing, countries.

Entrepreneurship development is the process of enhancing the skills and knowledge of entrepreneurs through different training and classroom programs. The whole point of entrepreneurship development is to increase the number of entrepreneurs. By doing this, this pace at which new businesses or ventures made gets better. On a broader level, this makes room for employment and improves the economy of a company or country. Enterprise development aims at individuals who want to start or possibly expand a business. Entrepreneurship development also focuses a lot on enhancing the ideas and potential of an entrepreneur. The need for entrepreneurship development in Nigeria has never been so high in the history of the country. However, despite the increased call for entrepreneurship, it still requires more improvement. The reason for this is the vast number of the challenges that entrepreneurship development in Nigeria is facing today (Olawale, 2017).

Entrepreneurship, the pursuit of opportunities despite lacking the necessary resources at the outset, is often celebrated as a hero of the global economy. Globalization facilitates technology entrepreneurship by fostering the rise of innovation ecosystems. This might include engagement between new ventures, and large multinational enterprises (**Shameen 2016**). The challenge facing the developing world, and African countries, in particular, is to design public policies to maximize the potential profitfrom globalization, and to minimize the downside risks of destabilization and marginalization. None of these policies are new, and most African countries have been implementing them for some time. **Globalization tends to move taxation away from corporations, and onto individual citizens.** Corporations can move to locations where the tax rate is lowest. Own citizens have much less ability to make such a change. Also, with today's lack of jobs, each community competes with other communities concerning how

many tax breaks it can give to prospective employers. **Globalization encourages dependence on other countries for important goods and services.** With globalization, products can often be obtained cheaply from elsewhere. A nation may come to believe that there is no point in producing its food or clothing. It becomes easy to depend on imports and specialize in something like financial services or expensive medical care—services that are not as oil-dependent. As long as the system are together, this arrangement works, more or less. However, if the built-in instabilities in the system become too high, and the system stops working, there is suddenly a huge problem. Even if the reliability is not on food, but is rather on computers and replacement parts for machinery, there can still be a serious problem if imports are interrupted Twelve Reasons (Gail, 2013).

Statement of the Problems

Nigeria and many other developing blindly joined the global race, and the experience has not been pleasant or palatable. The situation became aggravated by the fact that most Nigerians have a choice for foreign goods or anything imported (Aluko, Akinda and Sola (2014). Globalization potentially promotes entrepreneurship and entrepreneurship improves globalization, but the issues facing most African countries such as Nigeria is that low level or entrepreneurial event and entrepreneur performance towards attaining the globalization goals (Olatunji, Muhammed, Ebenezer and Raji, 2016). The period of comparative advantage has gone as countries such as China and India produces everything in a large quantity that countries like Nigeria cannot withstand the tide of the time and hence the rapid drop in the rate of entrepreneurial activities in the country.

Globalization has generated significant international opposition over concerns that it has increased inequality and environmental degradation. Globalization has ushered in an era of change concerning social and cultural matters including a competitive spirit in world culture for the better or worse according to the social fabric of various communities and their flexibility and adaptability (Faiz and Madad, 2017). The potential for global sales is obvious, but the extension to most entrepreneurial set up in South- East, Nigeria cannot be assured. There is a fall in African global economic race.

Globalization has affected job creation with poor entrepreneurship development, poor capacity utilization, dumping ground for all kinds of foreign products, competition with the problem of local entrepreneurial cross-border financial flow, increasing of financial system integration. Globalization influences the financial sector in different and complex ways. Typically, capital flows, exchange rates crisis and inflationary pressure are some of the major avenues through the impact of globalization can be quickly transmitted into the domestic economy. This global effect can lead to volatile short-term capital flows and exchange rates which causes an increase in the uncertainties surrounding the outcome of entrepreneur development forces policymakers to undertake structural adjustment/reforms.

Objectives of the Study

The main objective of the study was to the effect of globalization on entrepreneurship development in South- East, Nigeria. The specific goals include to

- i. Determine the impact of globalization on exchange rates on the entrepreneurship development in South- East, Nigeria.
- ii. Evaluate the effect of globalization on capacity utilization on the entrepreneurship development in South- East, Nigeria.

Research Question

- i. What is the effect of globalization on exchange rates on the entrepreneurship development in South- East, Nigeria?
- ii. What is the impact of globalization on capacity utilization on the entrepreneurship development in South- East, Nigeria?

Research Hypotheses

- i. Globalization on exchange rates has no positive effect on the entrepreneurship development in South- East, Nigeria.
- ii. Globalization on capacity utilization has no positive impact on the entrepreneurship development in South- East, Nigeria.

Literature Review

Concept of Globalization

Globalization is a process of interaction and integration among the people, companies, and governments of different nations, a process driven by international trade and investment and aided by information technology (Levin Institute, 2015). This process has impact on the environment, on culture, on political systems, on economic development and prosperity, and on human physical well-being in societies around the world. Globalisation refers to the process of the intensification of economic, political, social and cultural relations across the global boundaries. It is principally aimed at the transcendental homogenization of political and socio-economic theory across the globe. It is equally aimed at "making global being present worldwide at the world stage or global arena." It deals with the "increasing breakdown of trade barriers and the growing integration for the World market (Fafowora, 2016). In other words, as Ohuabunwa, (2014) once opined: Globalisation can be seen as an evolution which is systematically restructuring interactive phases among nations by breaking down barriers in the areas of culture, commerce, communication and several other areas of endeavor. This is evident from its push of free-market economics, liberal democracy, good governance, gender equality and environmental sustainability among different holistic values for the people of the member states.

The process of globalization is impelled by the series of cumulative and conjunctural crises in the international division of labor and the global distribution of economic and political power; in global finance, in the functioning of national states and the decline of the Keynesian welfare state and the traditional social contract between labor and government. In fact, its hallmark of free-market capitalism has been aided among other factors by the sudden though expected changes within the physiology of global political community in recent times.

Within the parameters of the preceding, globalization could be correctly defined from the institutional perspective as the spread of capitalism (MacEwan, 2013). However, it is germane to adumbrate that the fall of the Eastern block in the late 80s and early 90s led to the emergence and ascendancy of a international economy that is mainly structured and governed by the interests of Western behemoth countries, thus, facilitating the integration of most economies into the global capitalist economy. With the demise of Eastern Europe in the early 90s, capitalism as an economic system now dominates the globe more than it had been at any time in its history.

Concept of Entrepreneurship Development.

Entrepreneurship development is the process of improving the techniques and knowledge of enterprise through different training and classroom programs. The whole point of entrepreneurship development is to multiply the number of entrepreneurs. By doing this, the pace at which new businesses or ventures are made gets better. On a broader level, this makes room for employment and improves the economy of a company or country.

Entrepreneurship development targeted at individuals who want to start or possibly expand a business. Entrepreneurship development also focuses a lot on enhancing the ideas and potential of an entrepreneur. Entrepreneurial development will encourage entrepreneurs to create fresh enterprises, new commercial activities, and new economic sectors. They will generate jobs for others; produce goods and services for society; introduce new technologies and improve or lower cost outputs; and earn foreign exchange through export expansion or the substitution of imports. Entrepreneurial development will mobilize domestic savings and utilization of local resources, ([/www.vanguardngr.com/2016](http://www.vanguardngr.com/2016)).

Globalization and Exchange Rate (on Entrepreneurship Development)

Exchange rates powerfully affect cross-border economic transactions. Trade, investment, finance, tourism, migration, and more are all profoundly influenced by the global monetary policies. Many developing-country governments have searched for alternatives to the uncertainty that can prevail on global currency markets. Policy entrepreneurs have rushed to peddle currency nostrums, trigger a turn toward dollarization, managed floating, nominal anchors, target bands, or other options. There are both theoretical and empirical reason to expect globalization to heighten the significant of the exchange rate (Devet, 2013).

Theoretically, open-economy macro-economic principles imply that capital mobility profoundly affects exchange rate policy choices. As Robert Mundell reveals more than forty years ago, the government of a financially integrated economy faces a choice among monetary policy autonomy and a fixed exchange rate (Mundell 2013). If the government opts for a fixed price, capital mobility makes impossible a fiscal stance different from that of the anchor currency; alternatively, if the government chooses to sustain an independent monetary policy, it must allow the money to move. These constraints mean that the economics and politics of monetary and alternate rate policy are likely to be much different in an economy that is financially open than in an economy that is not.

Globalization and Capacity Utilization (on Entrepreneur Development)

The broader problem of capitalist economy underdevelopment in Nigeria, which was sharpened by the global problem of the late 1970s pushed the Nigerian military government under General Obasanjo into the international space and specific the multilateral agencies in search of financial bail-out: in the form of loans and grants. The depression and subsequent collapse of the global oil market did not aid a state that was committed since 1973 to the subsidization at the middle class and subsequent overvaluation of the naira. Groaning in the pains of collapse, within the context of a dependent monoculture economy, the Obasanjo belt-tightening project was integrated into the Shagari austerity measures of 1982 that imposed severe restrictions on imports, utilization of foreign exchange, price control measures rationing of essential commodities, etc. These measures triggered a rapid decline in industrial capacity utilization, scarcity of goods and services, reduction of staff, as well as recession and inflation in the face of falling aggregate demand. Its specific manifestation was reflected in an overall decline in industrial production turnover from N2530 million in 1982 to N2189 million in 1985. In spite of the 38 percent increase in the number of companies in the industry during the period, utilization of installed industrial capacity was as low as 10.2 percent by June 1985. (Ebohon, 2014).

Nigeria was qualified as a country experiencing de-industrialization. There is thus the inevitable need to determine whether a manufacturing sector operating in the type of Nigerian economy is equipped and can manage favorably as well as cope with the rigors and dictates of globalization. Nigeria and many other developing nations blindly joined the global race, and the experience has not been too nice or palatable. The situation became more severe by the fact that most Nigerians have a preference for foreign products or anything imported. The consequence of this is that domestic manufactured goods became unsaleable thus entrenching and institutionalizing the problem of capacity utilization (Annan, 2017).

The effect of Dumping Ground for Foreign Products

Dumping is the export of products at less than "normal value," often defined as the rate at which those products are sold in the home market. Since its inception, the General Agreement on Tariffs and Trade (GATT) has authorized signatories to apply duties to offset dumping when it threatens to cause, material injury to an industry in the territory of a GATT member. National antidumping legislation date from well before the GATT. For instance, the United States passed its first antidumping statutes in 1921.

Despite their longevity, antidumping measures are frequently subject to sharp criticism, especially from academic economists. Indeed, some observers advocate their complete elimination, raising the question whether dumping itself is a problem severe sufficiently to warrant retention of the antidumping regime provided for under the GATT. Dumping leads to the erosion and in some cases the disappearance of industries in markets where the spill is occurring for reasons unrelated to the relative competitiveness of those industries—put most simply, dumping enables less efficient firms to prevail over more productive firms in international competition. Market distortions determine competitive outcomes, that is, the factors that make dumping possible, rather than the relative competitiveness of individual

producers. Over the short run, other things being equal, dumping firms tend to enjoy lower unit costs than comparable firms in markets where dumping is occurring because dumpers can operate their plants at higher rates of capacity utilization—a factor that often has a far more significant impact on cost than any other consideration. Firms in the market where dumping is occurring cannot respond in kind if the exchange of the dumper is closed to them. In this way, a relatively inefficient plant run at 100 percent utilization rates may well enjoy lower unit costs than a state-of-the-art facility operated at a 50 percent rate (Arthur, 2014).

Over the longer term, dumping discourages investment in markets where the spill is occurring, and, at the same time, encourages higher levels of investment in the protected markets from which spill is taking place. This happens because investment risks are higher, and returns lower, in markets where dumping is taking place, and chances are smaller, and returns higher, in the covered market from which spill is taking place. The short-run cost advantage that dumping firms enjoy is thus eventually translated into capital, and technological advantage as investment dries up in the one market and intensifies in the other.

The fact that unconstrained dumping can gradually lead to a shift in competitive advantage has implications that extend beyond the firms directly affected. A given nation's economic well-being, the standard of living, and security are all determined as important part by the composition of its industrial base. The ultimate implication of the competitive dynamics of dumping is that the industrial base may be changed in deleterious ways as a result of market distortions abroad, such as protected markets and cartels that make dumping feasible. Because such obstacle can be deliberately created and manipulated, whether by governments or by private syndicates enjoying the toleration or tacit encouragement of state authorities, the decision to permit unrestricted dumping is a decision to permit a national economy to be shaped by anticompetitive strategies and market distortions that are engineered in other countries. Although experience has revealed that GATT signatories will accept, as part of the price of an open trading system, the reason for adjustment by domestic industries that have lost global competitiveness, it is quite another reason to expect signatories to accept the burdens of change that arise out of anticompetitive practices in other countries. It is unlikely that many nations would take such a result for any sustained period. It is equally unlikely that a political consensus could be sustained for any multilateral regime that attempted to enforce it through proscriptions on national antidumping measures (John, 2013).

Inflationary Pressure of Globalization on Entrepreneurship Development

Inflation in advanced and many emerging market economies has remained remarkably subdued over the past two years despite a significant rise in commodity prices, steady growth, and a broadly accommodating monetary policy stance in the major currency areas. Is this situation sustainable or does it foreshadow? Globalization has held down inflation in the past decade in some ways. Most people think of globalization reducing inflation by reducing the price of imported goods. This has been important at times. ...But on average times, it is not as important as most people think. In fact, at this point, because of higher oil and commodities prices, imports are adding to headline inflation in most industrial countries (Perry, & Cline, 2015).

Other channels through which globalization works have been more critical and perhaps more consistently present. First, globalization may lower the inflationary response to domestic capacity constraints. Put another way, a sudden expansion in demand for goods now translates into higher imports rather than into higher prices. Second, foreign competition has constrained wage increases in industries most open to global competition, and even lowered the sensitivity of payment to productivity increases. Of course, this does not mean globalization significantly reduces payments, because it also spurs productivity increase itself. Nevertheless, the impact of globalization on wages will become an increasingly debated issue, especially as the share of labor revenue in total output of developed countries continues to fall (Choudhri, & Hakura, 2016).

Volatile Short-Term Capital Flows on Entrepreneurship Development

Capital flow volatility has increased over the past decade and could have numerous entrepreneurial consequences (Forbes & Warnock, 2014). These include amplifying economic cycles, increasing financial system vulnerabilities, and worsening overall macroeconomic instability. Capital flow volatility could overwhelm the relative shallow financial markets of sub-Saharan Africa (IMF, 2014) and countries within the region may require a different framework to manage vulnerabilities compared to other emerging and developing economies. The possible effect of capital flow volatility may be amplified because of the structure of sub-Saharan African economies. Very few sub-Saharan African countries have a favorable net international investment position and state that run a deficit for years could potentially reach an unsustainable level (Meller, 2013). When aid is not remaining at a high level, the productivity of capital inflows would need to be enhanced, thus further requiring countries to manage the vulnerabilities associated with capital flow volatility.

Theoretical Framework

1. Drucker Theory
2. Theodore Levitt Theory of Globalization of Market (1983)

Drucker Theories (1946)

Drucker on Entrepreneurship Peter F. Drucker observe that "an entrepreneur is one who always searches for change, responds to it and exploits it as an opportunity." he emphasized two critical factors – innovation and resource- that led to the emergence of entrepreneurship. According to him, change is the real hub of entrepreneurship which creates the supply. A thing is regarded as a resource when its economic value is recognized. For example, mineral oil was considered worthless until the discovery of its use. Similarly, purchasing power was considered an essential resource by an innovative American entrepreneur who invented installment buying. According to Drucker, successful entrepreneurship involves the following things- Value and satisfaction obtained from a resource by the consumer are increased New values are created Material is converted into a fund or existing resources are combined in a new or more productive configuration Entrepreneurship is the practice which has a knowledge base. Entrepreneurship is not confined to huge businesses and economic institutions, it is equally

important to small business, and non-economic institutions Entrepreneurship behavior rather than personality trait is more important to enhance entrepreneurship. The foundation of entrepreneurship lies in concept and theory rather than in intuition.

Theodore Levitt Theory of Globalization of Market (1983)

Even though the term globalization in recent years has been utilized, especially following the technological revolution in communications and the creation of cyberspace, one of the first significant arguments on "Globalization of the Markets", under its present way, can be found in a 1983 article by Theodore Levitt, in the Harvard Business Review 10(10). The functionalist aspect of the globalization concept is what distinguishes it from the mere notion of internationalization, which refers to a quantitative process but not necessarily to an epochal shift of a more qualitative kind. According to Levitt, globalization processes are qualitatively different from internationalization processes. They involve not merely the geographical extension of economic activity across national boundaries, that are internationalization, but also and more importantly, the functional cooperation of such internationally dispersed operations. The current process of globalization produces a new global-functional unity.

Empirical Review

Kareen, Bakare, and Ologunla (2013), researched the nexus between globalization and economic growth in Nigeria from 1970 to 2008 using 2341 workers of federal ministries of works and housing. Primary data was applied through a questionnaire in which they were asked whether globalization has affected patronage of firms product and their collective impacts on their ministries performances. 1290 (55.10%) agreed that growth of firms with international connection considerably changed GDP Nigeria; 815 (34.81%) agreed that hi-tech firms were greatly influenced by a high spate of globalization which meant an increase in patronage which couldn't have been without aftermath of globalization. 236 (10.08%) instead said that the market value of foreign firms was mainly helped by international politics which castrated the local market.

Victor, (2014) conducted a study on the Causes of Persistent Inflation in Nigeria. This study sought to identify the traditional and institutional inflation variables responsible for the instability phenomenon and the magnitude of the contribution of the defined variables to the rise in general price level. Secondary information on key macroeconomic variables in the economy from 1974 to 2013 were used. The data collected were analyzed using the Autoregressive Distributed Lag (ARDL) bounds test. The results showed that there existed a long run co-movement among the variables. Also, the ordinary least squares estimate showed that Real Effective Exchange Rate, Lagged Consumer Price Index, Real Broad Money, and Real Profits were statistically significant in influencing Consumer Price Index. The short-run relationship shows that 60% of disequilibrium errors from the previous year's shock converge back to the long-run equilibrium in the current year. The study, therefore, concluded that inflation in Nigeria, during the studied period, was driven by the pass-through of import prices to domestic prices via markup pricing by the firm. This was aided by domestic inflation persistence. It is

therefore recommended that domestically produced products of good quality and adequate quantity must be substituted for imported ones and the Nigerian monetary authorities should adopt a monetary policy stance that does not easily deviate from the set financial target if persistent inflation is to be curbed in the country.

Asinya, and Nelson (2014) examined exchange rate depreciation and government policies in Nigeria: empirical evidence. The government policy of early 1980 that led to 'gradual depreciation' of the naira exchange rate was to encouraged exports and reduces the high import dependence of the economy. The situation seems, to be out of control. The actual consequences have turn out to be a nightmare: it resulted to structural imbalances in the system, depleting external reserves; the unfavorable balance of payments; high inflation rate; low capacity utilization; increase imports and low frequency of the naira. To contain these abnormalities, the government has adopted different exchange rate regimes and pricing methods, yet the naira continues to depreciate. This study aimed at determining among a set of possible factors and the significant determinants of exchange rate depreciation in Nigeria. Some of these factors that have played a significant impact on exchange rate depreciation include: government policy; the external sector and macroeconomic performance, but this paper has been narrow down to government policy. The study uses the survey of regression analysis with Ordinary Least Squares (OLS) econometric technique and a time series of secondary data from 1980 – 2011... The data were first examined for unit roots using the Augmented Dickey-Fuller (ADF) and Phillips-Perron (PP) tests. A co-integration regression was then used to explore the long run relationship among the variables. The short-run Vector Error Correction (VEC) model was also used to determine the speed of the adjustment to equilibrium. It was empirically shown that there is a significant relationship between government fiscal and monetary policies and exchange rate depreciation. The results further revealed the high explanatory power of the coefficient of multiple determination (R^2) and the overall model was significant. Hence, the government can curtail the naira depreciation by adopting a flexible exchange rate regime, reducing external trade imbalances and checking the performance of some macro-economic variables.

Agu, Nnaemeka, and Nneka (2016) carried out a study on the Impact of Globalisation on Nigeria Manufacturing Sector: A Study of Selected Manufacturing Firms in Enugu, the study aimed to pursue the following objectives: to evaluate the impact of trade liberalization on the consumption of Nigeria made products, to determine the impact of technology on product quality in the Nigeria manufacturing industry, to ascertain the impact of globalization on employee job relations in the Nigeria manufacturing industry. The study had a population size of 640, out of which a sample size of 246 was realized using Taro Yamane Formula at 5% error to tolerance and a 95% level of confidence. The instrument used for data collection was primarily questionnaire and interview. The total numbers of 246 copies of the questionnaire were distributed while 230 copies were returned. The descriptive research design was adopted for the study. Three hypotheses were tested using linear regression statistical tool. The findings indicate that trade liberalization has significant negative effect on the consumption of Nigeria made products($r = 0.893 > r = 0.544$; $tc=29.976 > tt= 4.321$.; $p<.05$). Technology has a positive impact on product quality in the Nigeria manufacturing industry($r = 0.718 > r = 0.544$; $tc= 5.591$

> $t_t = 4.321$; $p < .05$). Globalization has significant positive effect on employee job relations in the manufacturing industry ($r = 0.909 > r = 0.544$; $t_c = 33.223 > t_t = 4.321$; $p < .05$). The study concluded that globalization is a sword of double edge that promotes and demote economic activities of any developing nation. The study recommended that the government should reposition its policies to regulate the activities of these agents of globalization as it affects our manufacturing sector.

Ejiogu, Chima, and Nwede, (2017) conducted a study on Globalization and Performance of Manufacturing Firms in Port Harcourt. The study employed a cross-sectional survey method which is an aspect of quasi-experimental research design. Data was collected via-structured questionnaire and personal interviews. 160 copies of the inquiry out of the 211 copies distributed were completed and returned. The analysis of data was done with the Spearman's rank order correlation coefficient with the assistance of the Statistical Package for Social Sciences (SPSS). The outcome of the research is that globalization is positive and it has a good relationship with the performance of firms. Conclusively, the performance of manufacturing firms in Port Harcourt is affected by globalization. The study, therefore, recommended that the careful efficiency of the process of production and capacity utilization should be adopted by firms to sustain competitive advantage over other competing firms; enabling the right skills, knowledge is acquired and committed to the quality product and service delivery to satisfy customers.

The empirical studies reviewed focused on the related topics of the study. Some of the empirical studies were on the nexus between globalization and economic growth in Nigeria from 1970 to 2008, the Causes of Persistent Inflation in Nigeria, exchange rate depreciation and government policies in Nigeria: empirical evidence, the Impact of Globalisation on Nigeria Manufacturing Sector: A Study of Selected Manufacturing Firms in Enugu and Globalization and Performance of Manufacturing Firms in Port Harcourt. However, none of the reviewed empirical reviews was dealt on the effect of globalization on entrepreneurship development in South-East, Nigeria. It is against this background that the resent study the impact of globalization on entrepreneurship development in South-East, Nigeria is being carried out to fill the existing gap of the study.

Methodology

The study is based on the effect of globalization on entrepreneurship development in South-East Nigeria. The area of research comprised small and medium entrepreneurs spread across South-East states which include: Anambra, Enugu, Abia, and Imo states. These firms were purposely selected because they were certified by Standard Organization of Nigeria (SON), and also have high strength and operate on high ethical standards. The study used the survey approach. The primary sources were a personal interview and the administration of a questionnaire to the management and staff of the firms. Through the unions of various enterprises in the states, we got a Population of 78,974 personnel, 543 staff was sampled. The sample size of 543 was chosen after applying the Freund and William's formula for the determination of adequate sample size. Out of the staff sample, 514 staff returned the

questionnaire and accurately filled. The validity of the instrument was tested using content analysis, and the result was excellent. The reliability was tested using the Pearson correlation coefficient (r). It gave a reliability coefficient of 0.86 which was also good. The hypotheses were analyzed using f-statistics (ANOVA) tool.

Data Presentation Analysis

Table 4.1 Responses on the effect of globalization on exchange rates on the entrepreneurship development in South- East, Nigeria.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	24	4.7	4.7	4.7
Agree	20	3.9	3.9	8.6
Neutral	41	8.0	8.0	16.5
Disagree	258	50.2	50.2	66.7
Strongly Disagree	171	33.3	33.3	100.0
Total	514	100.0	100.0	

Source: Field Survey, 2018

From the 4.1, it indicated that 24 of respondent out of 514 representing 4.7 percent strongly disagree, 20 respondents of 3.9 percent disagree on whether strike actions leads to poverty. 41 respondents of 8.0 neural while 258 respondents representing 50.2 percent agree while 171 respondents of 33.3 strongly concur that globalization affects exchange rates on the entrepreneurship development in South- East, Nigeria.

Table 4.2 Responses on the effect of globalization on capacity utilization on the entrepreneurship development in South- East, Nigeria.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	40	7.8	7.8	7.8
Agree	9	1.8	1.8	9.5
Neutral	24	4.7	4.7	14.2
Disagree	140	27.2	27.2	41.4
Strongly Disagree	301	58.6	58.6	100.0
Total	514	100.0	100.0	

Source: Field Survey, 2018

From table 4.3.1, 86 of respondent out of 370 representing 23.2 percent strongly disagree, four respondents of 1.1 percent oppose. Ten respondents of 2.7neural while 47 respondents representing 12.7 percent agree and 223 respondents of 60.3 strongly concur that globalization affects capacity utilization on the entrepreneurship development in South- East, Nigeria.

Test of Hypotheses

- i. Globalization on exchange rates has no positive effect on the entrepreneurship development in South- East, Nigeria.**

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	468.960	4	117.240	1553.630	.000 ^b
	Residual	38.410	509	.075		
	Total	507.370	513			

a. Dependent Variable: GEDSEN

b. Predictors: (Constant), GERPEEDSEN, RSATTSAS, RSATS, RSACUSPCS

From the result, f-calculated {1553.630} is greater than the f-tabulated {2.7858}, that is, f-cal > f-tab. Hence, we reject the null hypothesis {H0} and accept Alternative hypothesis which means that the overall estimate has a good fit which also implies that our independent variables are simultaneously significant. We now conclude from the analysis that globalization on exchange rates has no positive effect on the entrepreneurship development in South- East, Nigeria.

- ii. Globalization on capacity utilization has no positive effect on the entrepreneurship development in South- East, Nigeria.**

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	721.734	4	180.433	4471.153	.000 ^b
	Residual	20.541	509	.040		
	Total	742.274	513			

a. Dependent Variable: GCUPEEDSEN

b. Predictors: (Constant), GERPEEDSEN, RSATTSAS, RSATS, RSACUSPCS

From the result, f-calculated {4471.153} is greater than the f-tabulated {2.7858}, that is, f-cal > f-tab. Hence, we reject the null hypothesis {H0} and accept Alternative hypothesis which means that the overall estimate has a good fit which also implies that our independent variables are simultaneously significant. We now conclude from the analysis that globalization on capacity utilization has no positive effect on the entrepreneurship development in South- East, Nigeria.

Discussion of Findings

Exchange rates powerfully affect cross-border economic transactions. Trade, investment, finance, tourism, migration, and more are all profoundly influenced by international fiscal

policies. Many developing-country governments have searched for alternatives to the uncertainty that can prevail on global currency markets. Policy entrepreneurs have rushed to peddle currency nostrums, urging a turn toward dollarization, managed floating, nominal anchors, target bands, or other options (Devet, 2013). From the result, f -calculated {1553.630} is greater than the f -tabulated {2.7858}, that is, f -cal > f -tab. Hence, we reject the null hypothesis $\{H_0\}$ and accept Alternative hypothesis which means that the overall estimate has a good fit which also implies that our independent variables are simultaneously significant. We now conclude from the analysis that globalization on exchange rates has no positive effect on the entrepreneurship development in South- East, Nigeria.

From the result, f -calculated {4471.153} is greater than the f -tabulated {2.7858}, that is, f -cal > f -tab. Hence, we reject the null hypothesis $\{H_0\}$ and accept Alternative hypothesis which means that the overall estimate has a good fit which also implies that our independent variables are simultaneously significant. We now conclude from the analysis that globalization on capacity utilization has no positive effect on the entrepreneurship development in South- East, Nigeria. This was supported in the literature review by Annan, (2017), Nigeria and many other developing nations blindly joined the global race, and the experience has not been too good or palatable. The situation became mre severe by the fact that most Nigerians have a choice for foreign products or anything imported. The consequence of this is that domestic manufactured products became unsaleable thus entrenching and institutionalizing the plight of capacity utilization.

Conclusion

The study concluded that globalization on exchange rates has no positive effect on the entrepreneurship development in South- East, Nigeria, and globalization on capacity utilization has no positive effect on the entrepreneurship development in South- East, Nigeria, Globalization leads to the increased interconnectedness of national economics, it creates more wealth in developing countries through entrepreneurship development.

Recommendations

- i. The study recommended that the government should reposition its policies to monitor the activities of these agents of globalization and exchange rates as it affects entrepreneurship development.
- iii. The careful efficiency of the process of production and capacity utilization should be adopted by industries to sustain competitive advantage over other competing firms.

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