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Resource Nationalism and the Global Capitalist System: Implications for Economic Sovereignty and Development in Nigeria

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Abstract
This study examined the relationship between resource nationalism and the global capitalist system in Nigeria, focusing on its implications for economic sovereignty and national development. The study sought to understand how Nigeria's participation in the global economy has shaped its ability to control its natural resources and translate resource wealth into meaningful national development. A qualitative research design was adopted, relying mainly on secondary data obtained from scholarly publications, government documents, reports of international organisations, regulatory agencies and credible media sources. The data were analysed through thematic and qualitative content analysis. Dependency Theory provided the theoretical framework for understanding the unequal relationships that often exist between resource-rich developing countries and advanced capitalist economies. The findings showed that Nigeria's engagement with the global economy has brought both opportunities and challenges. Foreign investment, technology, specialised expertise and access to international markets have supported activities in the petroleum and solid-minerals sectors, creating opportunities for revenue generation, investment and employment. However, the country's continued reliance on commodity exports, foreign technology, external finance and changing global market conditions has limited its practical economic autonomy. The study further found that legal ownership of natural resources does not always translate into effective control over their exploitation, processing and value creation. In addition, weaknesses in domestic productive capacity, infrastructure, governance and revenue management have reduced the extent to which resource wealth contributes to broad-based development. The study concluded that Nigeria's participation in the global capitalist system has expanded economic opportunities while also sustaining forms of dependence that continue to limit economic sovereignty and the effective transformation of natural-resource wealth into sustainable national development.

Keywords: Resource Nationalism; Global Capitalist System; Economic Sovereignty; Natural Resources; National Development; Nigeria.

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Introduction

Natural resources have long occupied an important place in the economic and political life of states. Beyond their material value, resources such as petroleum, natural gas and minerals often shape relations between governments, foreign investors and international markets. As national economies have become increasingly connected through trade, investment, technology and production networks, decisions about the ownership and exploitation of natural resources have also acquired wider international significance. Global capitalism has created opportunities for resource-rich countries to attract capital, access technology and participate in international markets; at the same time, it has raised persistent concerns about external influence, unequal economic relationships and the ability of states to retain meaningful control over their natural wealth (Held et al., 1999; Scholte, 2008). The question of natural-resource governance has therefore become closely associated with broader debates about sovereignty, state autonomy and development.

Resource nationalism has emerged as one of the approaches through which states seek to protect or strengthen their authority over strategically important resources. Broadly understood, it reflects policies and political efforts aimed at increasing national influence over the ownership, extraction and distribution of benefits from natural wealth (Wilson, 2015). Its expression differs across countries and historical periods, ranging from state participation and stronger regulation to local-content policies, taxation and efforts to promote domestic value addition. However, the pursuit of greater control does not necessarily imply economic isolation or the rejection of foreign participation. Many resource-rich states remain dependent, to varying degrees, on international finance, technical expertise, technology and access to external markets. This produces an inherent tension between the aspiration for greater economic independence and the realities of operating within a global capitalist system (Koch & Perreault, 2019).

The issue is particularly significant for developing countries whose economies have historically been linked to global markets through the extraction and export of primary commodities. Dependency scholars, including Amin (1976) and Frank (1967), drew attention to the unequal structures that could emerge from this form of integration, especially where less industrialised economies remained largely producers of raw materials while processing, technological advancement and higher-value activities were concentrated elsewhere. Although the contemporary global economy is more complex than the structures originally examined by classical dependency theorists, questions surrounding ownership, value retention and external influence continue to feature prominently in discussions of resource governance. Resource nationalism may therefore be understood as part of a broader effort by states to renegotiate their relationship with international capital and secure greater national benefits from participation in the global economy.

Nigeria provides a relevant context for examining these issues because of its extensive endowment of petroleum, natural gas and solid minerals, as well as its long-standing engagement with international economic forces. The governance of these resources lies at the intersection of domestic policy, foreign investment, multinational corporate activity and international commodity markets. Nigeria's position within the global capitalist system consequently presents a complex policy environment in which the desire to maximise national benefits from natural wealth must coexist with the need for investment, technology and market access. This raises

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important questions about the extent to which resource-rich states can pursue greater economic sovereignty while remaining integrated into global systems of production, finance and exchange.

Against this background, this study examined **Resource Nationalism and the Global Capitalist System: Implications for Economic Sovereignty and Development in Nigeria**. The study proceeded from the premise that the relationship between national resource control and global economic integration presents important questions for state autonomy and development. It therefore explored how resource nationalism operates within Nigeria's engagement with the global capitalist system and considered its implications for the country's capacity to exercise economic sovereignty and pursue broader developmental objectives. By placing Nigeria's resource governance within this wider political-economic context, the study provided a basis for analysing the relationship among state authority, global capital and national development.

Statement of the Problem

Nigeria is richly endowed with petroleum, natural gas and a wide range of solid minerals, yet the relationship between its natural wealth and national development has remained a major concern. The problem has not simply been the availability of resources, but the manner in which they are owned, exploited and integrated into the broader economy. Within the global capitalist system, resource extraction often involves foreign capital, multinational corporations, international markets and transnational production networks. While these relationships can provide access to investment, technology and expertise, they may also generate concerns about external influence and the extent to which resource-rich states retain meaningful control over their natural wealth (Amin, 1976; Frank, 1967; Wilson, 2015). This situation raises an important question for Nigeria: how can the country benefit from global economic integration without weakening its authority over strategic resources and the value derived from them?

This challenge is closely connected to the question of economic sovereignty. Nigeria requires external capital, technology and access to international markets to develop important sectors of its economy. However, dependence on foreign investment and externally driven production systems may limit domestic value creation and weaken the country's ability to determine the terms under which its resources are exploited. Resource nationalism has consequently gained attention as a means through which states seek greater influence over the ownership, management and distribution of benefits from natural resources (Koch & Perreault, 2019; Wilson, 2015). Yet, greater state involvement does not automatically resolve the underlying tension between national control and participation in a global economy that is deeply shaped by transnational capital and unequal economic relations (Amin, 1976).

The central problem, therefore, lies in the tension between Nigeria's pursuit of greater control over its natural resources and its continued integration into the global capitalist system. Existing discussions have largely addressed resource nationalism in relation to state control, foreign investment or particular extractive sectors, while debates on global capitalism have often focused on dependency and unequal economic relations. Less attention has been given to how these two dimensions intersect and what their interaction means for Nigeria's economic sovereignty and broader development. This study therefore examined resource nationalism and the global capitalist system to interrogate how the relationship between national resource control and global

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economic integration shaped the prospects for economic sovereignty and development in Nigeria.

Research Questions

The study raised the following research questions:

I. How has resource nationalism shaped Nigeria's control and management of its natural resources within the global capitalist system?

II. What are the implications of the relationship between resource nationalism and the global capitalist system for economic sovereignty and development in Nigeria?

Objectives of the Study

The broad objective of the study is to examine resource nationalism and the global capitalist system and their implications for economic sovereignty and development in Nigeria. Specifically, the study seeks to:

I. Examine how resource nationalism has shaped Nigeria's control and management of its natural resources within the global capitalist system.

II. Assess the implications of the relationship between resource nationalism and the global capitalist system for economic sovereignty and development in Nigeria.

Conceptual Review

Resource nationalism

Resource nationalism refers to the efforts of a state to exercise greater control over the ownership, exploitation and benefits derived from its natural resources. It extends beyond formal state ownership to include policies aimed at regulating foreign participation, increasing domestic involvement and retaining a greater share of resource benefits within the national economy. The concept may also be understood as a political discourse through which states and other actors negotiate questions of sovereignty, territory, national identity and control over natural wealth (Koch & Perreault, 2019). In resource-rich developing countries, resource nationalism commonly emerges from tensions between national control and dependence on external capital, technology and markets (Andreasson, 2015; Wilson, 2015). In Nigeria, it is reflected in policies and regulatory frameworks designed to increase indigenous participation and strengthen national control over petroleum and mineral resources.

Global Capitalist System

The global capitalist system refers to the interconnected economic structure through which states, corporations, financial institutions and markets are linked by trade, investment, production and the movement of capital. Globalisation has intensified these transnational connections, making economic processes increasingly shaped by interactions that extend beyond territorial boundaries (Held et al., 1999; Scholte, 2008). Within this system, countries occupy different positions depending on their productive, financial and technological capacities. Developing economies such as Nigeria have often participated largely as exporters of primary commodities while depending on industrialised economies for technology, manufactured goods and finance. This pattern of unequal integration is consistent with the dependency perspective, which emphasises the structural relationship between capitalist centres and peripheral economies (Amin, 1976;

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Frank, 1967). It has important implications for economic independence and development, particularly where significant portions of resource processing and value creation occur outside the producing country.

Economic sovereignty

Economic sovereignty refers to the capacity of a state to exercise meaningful control over its economic resources, policies and development priorities. It involves more than legal ownership of natural resources; it also concerns the practical ability to determine how resources are exploited, financed, processed and distributed. The exercise of economic sovereignty may therefore be constrained where domestic policy choices are significantly shaped by external capital, international financial institutions, foreign investment conditions or other transnational economic pressures (Held et al., 1999; Rodrik, 2011). A country may possess formal sovereignty over its resources while remaining dependent on foreign capital, technology or international markets. In the Nigerian context, economic sovereignty is therefore closely connected to the extent to which the country can retain control over the value generated from its petroleum, gas and mineral resources.

National development

National development refers to the broad improvement of a country's economic, social and institutional conditions. It encompasses economic growth and structural transformation, but also includes industrialisation, employment, technological advancement, improved institutions and wider human welfare (Sen, 1999; Todaro & Smith, 2020). Development is therefore not limited to increases in national income; it also concerns the expansion of human capabilities and improvements in the conditions under which people live. Within this study, national development is considered in relation to the extent to which Nigeria's natural resources and participation in the global economy have contributed to wider domestic transformation. The concept is therefore not limited to increased revenue or foreign investment but also concerns whether economic activities generate sustainable and broadly distributed benefits.

Theoretical Framework

This study was anchored on **Dependency Theory**, associated with scholars such as André Gunder Frank and Samir Amin. The theory explains the unequal relationship between developed and developing economies within the global capitalist system, where less-developed countries often depend on advanced economies for capital, technology, manufactured goods and markets. The theory is relevant to this study because Nigeria's integration into the global capitalist system has largely occurred through the export of natural resources, particularly petroleum and solid minerals, alongside continued dependence on foreign capital, technology and international markets. It therefore provides a useful framework for examining how this relationship affects Nigeria's **economic sovereignty and national development**, particularly the contradiction between formal ownership of natural resources and continued dependence on external actors for their exploitation and value creation

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Methodology

This study adopted a **qualitative research design** and relied mainly on secondary data drawn from scholarly publications, government documents, reports of international organisations, regulatory agencies and credible media sources. Data were analysed through **thematic and qualitative content analysis**, with attention to Nigeria's integration into the global capitalist system, economic sovereignty, natural-resource control and national development.

Resource Nationalism and the Changing Architecture of Natural Resource Control in Nigeria

Nigeria's relationship with its natural resources has been shaped by a persistent contradiction. The country possesses extensive reserves of petroleum and natural gas, alongside commercially important deposits of gold, lithium, tin, limestone, coal and other minerals, yet the development of these resources has remained closely connected to foreign investment, technology and international markets. Resource nationalism has emerged within this context as an attempt by states to exercise greater influence over the ownership, exploitation and distribution of benefits derived from natural wealth (Wilson, 2015; Andreasson, 2015). In Nigeria, this orientation has taken different forms across the extractive economy, including state regulation, local-content requirements, institutional reforms, indigenous participation and policies encouraging domestic processing. The objective has generally not been to exclude external investors, but to ensure that the exploitation of Nigerian resources produces wider domestic benefits. Nigeria's experience must therefore be understood as an effort to renegotiate its position within global capitalism rather than a withdrawal from it.

The legal framework provides the starting point for understanding this approach. The Nigerian state exercises substantial authority over petroleum and mineral resources through constitutional provisions and sector-specific legislation, including the Nigerian Minerals and Mining Act and the Petroleum Industry Act (Federal Republic of Nigeria, 2007, 2021). However, legal ownership does not automatically guarantee effective economic control. Resource development requires finance, infrastructure, technical knowledge and access to markets, and these requirements have historically created relationships between Nigeria and external investors. This distinction between ownership and practical control is central to the country's resource-nationalist project. The challenge has been to maintain sovereign authority over natural wealth while creating conditions capable of attracting the capital and expertise required for exploration, extraction and processing.

The solid-minerals sector further demonstrates how resource nationalism is being extended beyond oil and gas. The growing global demand for lithium, gold, rare earths and other strategic minerals has created a new opportunity for Nigeria, but it has also revived concerns about the country remaining primarily a supplier of unprocessed raw materials. The Federal Government responded by linking new mining licences to commitments on local value addition and mineral processing, while still offering incentives intended to attract investment into the sector (Reuters, 2024; State House, 2024). President Bola Tinubu similarly acknowledged the economic losses associated with exporting crude mineral commodities and directed that new licences should be connected to domestic value creation (State House, 2024). This policy represents an important shift in the management of Nigeria's mineral resources. The focus is gradually moving from

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simply granting access to mineral deposits towards determining the conditions under which such access should contribute to employment, industrial development and domestic production.

This position has also been strongly articulated by the Minister of Solid Minerals Development, Dele Alake. Speaking at the Future Minerals Forum in Riyadh, Alake argued that African countries needed to move away from the long-standing practice of exporting raw minerals and place greater emphasis on processing, technology transfer, knowledge sharing and local value addition (Federal Ministry of Information and National Orientation, 2024). Nigerian print and broadcast media have similarly documented this policy direction. The Guardian reported Alake's declaration that value addition had become a central standard for mining operations, while Kapital FM reported his position that companies seeking mining licences should demonstrate plans for beneficiation and processing within Nigeria (The Guardian, 2024; Kapital FM, 2024). These statements are important because they show that the emerging policy is not directed against foreign investment itself. Rather, the government is attempting to make investment conditional on a stronger domestic contribution to the mineral value chain.

The National Gold Purchase Programme provides another illustration of this changing approach. In June 2024, Channels Television reported that refined gold produced under the programme had been linked to efforts to strengthen Nigeria's foreign reserves and support the naira, while the Federal Ministry of Information and National Orientation described the initiative as the first commercial transaction under a centralised gold-offtake arrangement involving artisanal and small-scale miners (Channels Television, 2024; Federal Ministry of Information and National Orientation, 2024). The programme reflects an attempt to treat mineral resources not merely as export commodities but as assets capable of supporting wider national economic objectives. Nevertheless, this ambition must be viewed alongside persistent weaknesses within the mining sector, including limited geological information, inadequate infrastructure, illegal mining and the financial constraints associated with large-scale exploration and processing. These challenges make it difficult for the state to translate policy intentions into complete economic control, particularly where foreign finance and technology remain essential to resource development.

Recent reforms have therefore produced a mixed but evolving picture. The Federal Government reported that its new mining policies and licensing reforms attracted significant investor interest, including processing projects and growing attention from international actors (Channels Television, 2025). This demonstrates that resource nationalism and foreign investment do not necessarily operate as opposites. Nigeria's current approach appears to be based on attracting external capital while using licensing, regulation and local-value requirements to secure greater domestic benefits. The same balancing logic is visible in the petroleum sector, where the government has continued to strengthen local participation while also introducing reforms intended to improve investment conditions. The **Nigerian Upstream Petroleum Regulatory Commission** (NUPRC's) regulatory framework, for example, includes recent executive directives on petroleum cost efficiency, oil and gas revenue protection and local-content compliance, indicating the continuing effort to combine national interests with investment and production objectives (NUPRC, 2025).

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Natural-resource control, however, cannot be reduced to the relationship between the state and investors. It also involves transparency, revenue management and the distribution of benefits among the wider population. Nigeria's participation in the Extractive Industries Transparency Initiative (EITI), has drawn attention to continuing governance challenges across the oil, gas and mining sectors, particularly regarding revenue flows, beneficial ownership and public accountability (EITI, 2023; NEITI, 2024). These concerns are central to the meaning of resource nationalism. A state may possess legal authority over natural wealth and still fail to convert that authority into broad-based development if resource revenues are poorly managed or captured by narrow political and economic interests. Consequently, stronger national control must be accompanied by institutions capable of ensuring transparency, accountability and effective public management.

The position of resource-bearing communities is equally important. The Nigerian Minerals and Mining Act provides for Community Development Agreements between mining operators and host communities, while the Petroleum Industry Act established the Host Communities Development Trust for petroleum-producing communities (Federal Republic of Nigeria, 2007, 2021). These arrangements recognise that communities located around extractive activities bear many of the environmental and social consequences associated with resource development. As Abe (2022) argues, local-content and extractive-sector policies are more likely to contribute to sustainable development when they are supported by effective implementation, local participation and meaningful benefit sharing. Resource nationalism must therefore be assessed at more than one level. It concerns the state's relationship with foreign capital, but it also raises questions about whether workers, indigenous firms and host communities share meaningfully in the wealth generated from nationally owned resources.

The pattern across Nigeria's extractive sectors consequently reveals a broader transformation in the meaning of resource control. In petroleum and natural gas, local-content legislation, regulatory restructuring and domestic refining have sought to expand Nigerian participation and retain more economic value within the country (Federal Republic of Nigeria, 2010, 2021). In the mining sector, recent policies have placed greater emphasis on beneficiation, processing and the strategic use of critical minerals rather than the continued export of raw commodities (Reuters, 2024; State House, 2024). International institutions and development partners remain relevant because Nigeria still requires capital, technology, technical expertise and access to global markets. The country's approach has therefore not followed a path of economic isolation; instead, it has involved attempts to engage international actors under conditions considered more favourable to domestic industrialisation and national development.

Taken together, resource nationalism has reshaped the management of Nigeria's natural resources by broadening the idea of control beyond formal state ownership. Increasing attention is now being given to who participates in extraction, where resources are processed, how value is retained, how revenues are managed and whether host communities benefit from resource development. This shift is visible across petroleum, natural gas, gold, lithium and other solid minerals. Nevertheless, the pursuit of greater national influence remains constrained by technological dependence, infrastructure gaps, institutional weaknesses and the continuing importance of foreign investment and international markets. Nigeria's experience therefore reflects an ongoing attempt to exercise stronger authority over its natural wealth while navigating

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the realities of a global capitalist system in which resources, finance, technology and markets remain deeply interconnected.

Nigeria in the Global Capitalist System: Economic Sovereignty and National Development

Nigeria's integration into the global capitalist system has had a considerable but uneven influence on its economic sovereignty and national development. Through international trade, foreign investment, multinational corporations, global financial institutions and cross-border production networks, the country has become closely connected to the wider world economy. These relationships have created access to capital, technology, technical expertise and international markets, particularly in the extractive sector. At the same time, they have exposed the economy to external pressures and sustained certain forms of dependence associated with commodity exports, foreign technology and international finance. The outcome has therefore been neither entirely positive nor wholly restrictive. Rather, Nigeria's experience reflects a complex relationship in which participation in the global economy has created important opportunities while also limiting the country's practical control over some aspects of its economic direction (Ovadia, 2013, 2014; Wilson, 2015).

One of the most visible consequences has been Nigeria's vulnerability to changes in international commodity markets. Petroleum and natural gas have remained major sources of export earnings and public revenue, making the domestic economy particularly sensitive to fluctuations in global oil prices and production conditions (EITI, 2023; World Bank, 2024). When oil prices rise, government revenue and foreign-exchange earnings tend to improve, whereas periods of decline often generate fiscal pressure and wider economic difficulties. This reveals an important distinction between legal ownership and practical economic control. Nigeria possesses sovereign authority over its petroleum resources, yet the income generated from those resources is strongly influenced by international demand and price movements. As a result, developments outside the country can affect public spending, exchange-rate stability and the general direction of economic planning.

Nigeria's place within global production and trade networks has also shaped the nature of its national development. For several decades, the country earned substantial income from the export of crude petroleum and other primary commodities while relying heavily on imports for refined products, industrial machinery, technology and manufactured goods. This arrangement has limited the proportion of value retained within the domestic economy. Ovadia (2013) observed that Nigeria's local-content policy emerged partly from concerns that many profitable activities connected with petroleum production were carried out outside the country. Similarly, Abe (2022) argued that local-content requirements could stimulate employment, indigenous participation and domestic value creation where implementation is effective. These policies demonstrate that participation in global production networks may generate investment and revenue without necessarily ensuring that the most profitable stages of production take place within the national economy.

The involvement of multinational corporations in Nigeria's petroleum industry further illustrates this mixed outcome. International oil companies provided capital, specialised technology and access to global markets, thereby contributing significantly to the development of an industry that became central to Nigeria's economy. Their dominant position, however, also reflected the

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country's dependence on external technical and financial capacity. De Vita et al. (2016) found that international oil companies continued to occupy strategically important positions within Nigeria's petroleum network despite the expansion of indigenous participation. Ovadia (2014) likewise demonstrated that local-content policies in resource-dependent African states emerged partly from attempts to secure wider benefits from foreign investment. International participation, therefore, facilitated production and revenue generation, but it also meant that important technological and commercial aspects of the industry remained substantially connected to external actors.

The Petroleum Industry Act of 2021 reflects the continuing interaction between national authority and international economic interests. The Act restructured the governance and regulation of the petroleum sector, established new regulatory institutions and redefined the commercial framework of the national oil company (Federal Republic of Nigeria, 2021). These changes did not remove Nigeria from the international petroleum economy; instead, they altered the institutional setting through which the country relates with investors and other commercial actors. The sector has remained dependent on investment, specialised technology and international markets, meaning that the exercise of national authority continues to operate within a broader system of economic interdependence. In this sense, Nigeria's sovereignty over petroleum has remained formally strong, while its practical exercise has continued to be influenced by global commercial realities.

A similar pattern is emerging in the solid-minerals sector. The growing international demand for lithium and other minerals associated with electric vehicles, renewable energy and technological production has increased global interest in Nigeria's mineral deposits. This development has created new economic opportunities by connecting previously underdeveloped resources to expanding international industries. Reuters (2024) reported that the Nigerian government moved to link new mining licences to commitments towards local processing. The development reflects the growing influence of international demand on domestic resource policy. As global interest in critical minerals has expanded, mining has become more prominent within discussions about industrialisation, employment and economic diversification.

Yet, the benefits associated with this renewed international interest have remained uneven. Foreign participation has created opportunities for exploration and investment, but Nigeria's ability to derive extensive benefits from the sector continues to be affected by infrastructure shortages, insecurity, limited geological information and technological constraints (NEITI, 2024). These conditions have influenced the country's position within global value chains. Although Nigeria possesses commercially valuable minerals, much of the advanced technology, capital and industrial capacity required for large-scale processing remain concentrated outside the country. Consequently, ownership of mineral deposits has not automatically translated into control over the wider processes through which those minerals acquire greater economic value. Nigeria's participation in the growing critical-minerals economy has therefore widened its economic opportunities without necessarily producing corresponding technological or industrial independence.

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Nigeria's connection with the international financial system has produced a similar combination of opportunities and constraints. Foreign investment, multilateral lending and development partnerships have provided financial resources for infrastructure, energy and other sectors of the economy. Institutions such as the World Bank and International Monetary Fund have also remained influential in debates surrounding Nigeria's fiscal management, macroeconomic stability and structural reforms (IMF, 2024; World Bank, 2024). Their involvement has expanded the country's access to international finance and technical assistance, particularly during periods of economic difficulty. At the same time, dependence on external finance has placed domestic policy within a wider framework shaped by debt obligations, fiscal expectations and investor confidence. National authorities retain the power to make economic decisions, but the range of available choices is often influenced by conditions within the international financial environment.

The foreign-exchange situation further demonstrates this relationship. Nigeria's earnings from petroleum exports have linked the availability of foreign exchange closely to developments in international commodity markets. At the same time, dependence on imported machinery, industrial inputs and consumer goods has created a sustained demand for foreign currencies. Fluctuations in oil prices, capital movements and wider global financial conditions can consequently affect the value of the naira and increase production costs across the economy. The reforms undertaken by the Central Bank of Nigeria, alongside the broader macroeconomic assessments of the IMF, reflect the extent to which domestic economic stability is connected to conditions beyond Nigeria's borders (CBN, 2023; IMF, 2024). The implications extend beyond financial institutions, affecting inflation, household purchasing power, business operations and the overall cost of economic activity.

The developmental implications of Nigeria's global economic connections have also depended heavily on the management of revenues generated from natural resources. Petroleum exports have produced substantial income over several decades, yet this wealth has not always translated into equivalent improvements in infrastructure, industrial capacity or social welfare. Reports by the EITI and NEITI have continued to draw attention to issues surrounding transparency, accountability and revenue management within the extractive sector (EITI, 2023; NEITI, 2024). This suggests that the developmental outcome of international economic participation cannot be measured simply by the volume of revenue or investment entering the country. The institutions responsible for managing those resources also shape the extent to which economic gains reach the wider society. Where revenue leakages, corruption and weak administration persist, the benefits derived from international economic activity may remain limited or unevenly distributed.

The consequences are equally apparent in resource-bearing communities. International demand for petroleum and minerals has encouraged extraction across different parts of Nigeria, generating revenue and commercial activity while also producing environmental and social pressures. The Nigerian Minerals and Mining Act provides for Community Development Agreements between mining operators and host communities, while the Petroleum Industry Act established the Host Communities Development Trust in petroleum-producing areas (Federal Republic of Nigeria, 2007, 2021). These provisions recognise that the gains and burdens associated with resource extraction are not equally shared. While the national economy derives

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income from exports, communities located around extractive sites may experience environmental degradation, disruption of livelihoods and disputes over access to benefits. The impact on national development must therefore be assessed beyond aggregate revenue figures and include the conditions experienced by communities directly affected by resource extraction.

Nigeria's growing interaction with international markets has also influenced the structure of the national economy by drawing attention to sectors beyond petroleum. Rising global demand for critical minerals has renewed interest in mining, while technological changes associated with the global energy transition have increased the strategic importance of resources such as lithium. This has broadened Nigeria's engagement with international production and created new opportunities for investment and employment. Nevertheless, the country's position within these emerging industries remains constrained by the limited extent of domestic processing and manufacturing. Where extraction takes place locally but advanced production occurs elsewhere, a considerable share of the economic value continues to accrue outside Nigeria. The expansion of international connections has therefore not completely altered the country's long-standing position as a major supplier of primary commodities.

Overall, Nigeria's incorporation into the global capitalist system has had a **substantial but contradictory impact** on economic sovereignty and national development. International economic relations have opened access to investment, technology, technical expertise and markets, contributing to activities in petroleum, natural gas and, increasingly, solid minerals. These connections have generated revenue and employment while expanding the country's participation in international commerce. At the same time, they have exposed Nigeria to commodity-price volatility, foreign-exchange pressures, technological dependence and unequal positions within global production networks. Formal control over natural resources has consequently existed alongside practical constraints arising from dependence on external capital, expertise and markets.

The impact on national development has been similarly uneven. Nigeria's participation in the global economy has created substantial opportunities, but the translation of these opportunities into sustained and widely distributed development has been constrained by governance weaknesses, infrastructural limitations, unequal distribution of benefits and the continued export of largely unprocessed resources. The extent of the influence can therefore be described as **significant but ambivalent**. Integration has expanded Nigeria's economic reach and connected its resources to wider systems of production and exchange, yet it has also exposed the limits of formal sovereignty where technological and productive capacities remain externally dependent. Nigeria's experience consequently shows that global capitalism has simultaneously contributed to economic activity and national development while constraining the full exercise of economic autonomy, with outcomes differing across sectors, institutions and resource-bearing communities.

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Discussion of Findings

The study established that Nigeria's integration into the global capitalist system has had a **significant but ambivalent effect** on economic sovereignty and national development. On one hand, integration has provided access to foreign capital, technology, specialised expertise and international markets, particularly in the petroleum and emerging solid-minerals sectors. These connections have supported resource extraction, generated export earnings and created new opportunities for investment and employment. On the other hand, Nigeria's continued dependence on commodity exports, foreign technology, external finance and international markets has constrained the practical exercise of economic sovereignty. The findings therefore revealed a clear distinction between formal ownership of natural resources and effective control over the wider processes through which those resources generate value.

The study further found that the developmental gains arising from global economic integration have remained uneven. While petroleum and mineral resources have generated substantial revenues and attracted international investment, weaknesses in domestic productive capacity, infrastructure, technology, revenue management and governance have limited the translation of these gains into sustained national development. The continued export of largely unprocessed resources also means that significant portions of value creation often occur outside Nigeria. Consequently, the findings suggest that Nigeria's participation in global capitalism has expanded economic opportunities without completely altering its structurally dependent position within international production and value networks.

The findings also demonstrated that the consequences extend beyond the national economy to resource-bearing communities, where the benefits of extraction have often coexisted with environmental pressures, livelihood disruptions and contestations over benefit distribution. Overall, the study established that Nigeria's integration into the global capitalist system has neither eliminated economic sovereignty nor guaranteed national development. Rather, it has produced **a contradictory relationship in which access to global opportunities exists alongside continuing forms of economic dependence**, resulting in developmental outcomes that remain uneven across sectors, institutions and communities.

Conclusion and Recommendations

This study concluded that Nigeria's integration into the global capitalist system has produced **both opportunities and limitations** for economic sovereignty and national development. While engagement with the global economy has opened access to capital, technology, expertise and wider markets, Nigeria has continued to depend heavily on commodity exports, foreign finance and external technology. As a result, the benefits have not always translated into broad-based national development. Overall, Nigeria's experience shows that participation in the global capitalist system has expanded economic opportunities while also sustaining forms of dependence that limit full economic autonomy and the effective conversion of natural-resource wealth into wider development.

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In view of the findings of this study, the following recommendations are proposed:

1. **Promote domestic value addition:** Nigeria should strengthen the processing and utilisation of its petroleum, gas and mineral resources to reduce dependence on the export of largely unprocessed commodities and retain more value within the domestic economy.
2. **Strengthen domestic productive and technological capacity:** Greater investment in infrastructure, technical skills and industrial capacity is necessary to reduce continued reliance on foreign technology and external expertise.
3. **Improve governance and revenue management:** Stronger transparency, accountability and effective management of resource revenues are required to ensure that the benefits of Nigeria's participation in the global economy translate into broader national development.
4. **Ensure wider distribution of resource benefits:** Greater attention should be given to linking resource wealth to infrastructure, employment and improved welfare, particularly in communities directly affected by extractive activities.

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