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CHALLENGES OF GOVERNMENT ECONOMIC REFORM POLICY ON TEXTILE INDUSTRY IN KADUNA STATE

Monday Arima Department of Political Science, Nasarawa State University, Keffi.

Yahaya A. Adadu Department of Political Science, Nasarawa State University, Keffi.

Philip Ajeh Department of Political Science, Nasarawa State University, Keffi.

Mohammed Bello Babanumma Department of Political Science, Nasarawa State University, Keffi.

Abstract

The paper examined the problems faced by textile industry in Kaduna State since the democratic dispensation of government spamming the period 1999-2021. Challenges that affected the local textile production were identified and discussed. These problems include globalization of textile goods, smuggling of textile goods, unfavorable economic policies, inadequate power supply, financial challenge and inadequate textile materials e.t.c. Also, the article identified some reforms measures taken by past administrations to reviving the ailing textile industry. The sources of data for the study are mainly secondary (quantitative method) and dependency and liberal economic theories were adopted to explain how developed capitalist helped in underdeveloped textile factories in Kaduna State. The article also used quantitative method .The paper revealed that textile factories in Kaduna State has the potentialities to contribute profitably to human capacity development, revenue generation and to sustain National economy The paper recommends that for textile industry in Kaduna to resume back to business, government should provide grants immediately to farmers to start cotton production, power sector should be restructure to ensure 24 hours supply, re-introduction of measures to regulate the importation of foreign textile goods, Nigeria Custom Service should re-double her efforts in curtailing of smuggling of textile goods in to the country and lastly, sound industrial policies should be formulates and implements by government of the day.

Keywords: Challenges, Economic, Government, Kaduna, Reform, Textile.

Introduction

Textile industry plays a major role in the development and industrialization process of countries and their integration into the world economy. The World Trade Organization (2006) notes that, developing countries as a group (low and middle income countries) accounted for more than half of all world exports of textiles and clothing and that in no other category of manufactured goods developing countries enjoy such a large net-exporting position. Textile and garment industry are one of the largest in the world, Abimbola (2010). It obvious that textile industry plays a major role in the economy of a country, Adam (1992).Textile industry has become an economic force to reckon with and employs a lot of people, about 3 million Nigerians in direct jobs from production of cotton to the weaving, spinning and printing of textile materials. The industry contributed hugely to the revenue bases of government across the country and created hundreds of thousands of direct jobs to Nigerians (Afuye, 2014). Nearly two decades after independence, the textile subsector was the major key play in Nigeria and industrial sector contributed significantly to employment and growth in the economy. However, textile industries in Kaduna have undergone a considerable decline since the democratic dispensation of Nigeria government from 1999 -2021. However, general efforts have been made by the past governments in Nigeria to resuscitate the moribund Textile industry through various economic reforms such as National Economic Empowerment and Development Strategy (NEEDS) 2003-2007, Seven-Point Agenda 2007-2009 and Transformation Agenda 2011-2015 e.t.c. It was during this period that witnessed the massive closures of textile industries in Nigeria which Kaduna was worse hit by the job loss aspect of the collapsing textile firm

.**Literature Review**

Conceptual Framework

Reform: Reform means change for better, it is an improvement or amendment of what is wrong. Is the strategic plan of action to generate a sustained economic growth and longtime development (Asobie, 2012), Reform programs was introduced in Nigeria as a result of law indicator of human development in compared to other countries. With its undiversified economics, the country remained vulnerable to fluctuation of oil prices, expenditure was rising, and unemployment rate was and still is high and a progressive domestic debt couple with high rate of inflations.

Enoch, (2007) viewed reform as to amend, ameliorate, make better, correct or improve. It also means to rectify, reclaim, redeem, regenerate or reshape. The purpose of any reform should be clearly stated. Reform may mean changes, but reform cannot take place if the systems are excellent. Reform to him can only be effective if the system is showing no improvement for the benefit of the society. In Enoch's opinion, it is only if situation in which aspects of the whole have become defective that the concept of reform make sense. We do not for instance reform a thing when it is all bad. We only discard and ask of replacement.

Economic Reform Policy: Ariyo, (2006) defines economic reform as any form of policy and /or institutional intervention that changes or seek to change the process of economic policy design and implementation with a view to ensuring a better and more purposeful management of the economy. It generally refers to any attempt to truncate the dwindling fortunes of the economy, and thereby enhanced sustained improvement in the welfare of the citizenry. He argued that economic reform is an initiative directed towards removing abuses and distortions in an existing system or economy.

Sartre, (2007), argued that for any economic reform process the following conditions should be considered;

i. The nature and availability of material and human resources.
ii. The educational standard and what it is meant to achieve for the society.
iii. The targeted industrial activities and implementation of the industrial laws and effectiveness.
iv. The quality of goods and services to be produced and how such can be marketed to enhance 'buying and selling'.
v. Restriction of industries factories, to outlet they are to produce based on the agreed terms of establishment or otherwise.

Economic reform policy through careful planning is a key to successful industrialization of a country. The developed economies like that of United State, Japan, Britain, Germany, Russia and Canada had gone through a series of economic reform and counter reform before the present stage of economic boom. Suffice to say that the industrialization of the country as it relates to textile industry depends hugely on the good policies formulations and implementations by the government of the day to promote efficiency and high productivity in the sector in question.

Textile Industry: A textile is a flexible material made by creating an interlocking network of yams and threads which are produced by spinning raw fibersfrom either natural or synthetic sources into long and twisted lengths A fiber is a pliable hair-like structure of length which is the building block of fabrics while a fabric is a finished product of textile, (Margil 1988)..The most common uses of textile products are apparel and home furnishing. Besides these uses, textiles are indispensable to industry, agriculture, transportation, space exploration, health services and other areas, (Macfoy 1992). Textiles in the form of clothing are among the three basic needs of Man after food and shelter.Textile is the second basic needs of human being. It has such an important bearing on our daily lives that everyone needs to know something about it. From earliest times, people have used textiles of various types for covering, warmth, personal adornment, and even to display personal wealth. Today textiles are still used for these purposes and everyone is an ultimate consumer. Many industries, such as the auto mobile industry, are important consumers of textiles in various forms. Some other consumers are homemakers, dressmakers, and interior decorators. As well as students who are studying for these and various other occupations and professions in which knowledge of textile is of major importance.

Theoretical Framework

This paper attempts to employ and apply the dependency and liberal economic theories to demonstrate how these theories help in the accurate analysis of the problems and dependency of textile factories in Kaduna on international competitive economic systems over which Nigeria has little control. First, dependency theory is predicated on the notion that there is a "center" of wealthy nations and a "periphery" of poor and underdeveloped states, (Vincent, 2006). Resources are extracted from the periphery and flow towards the center in order to sustain the economic growth and wealth of the latter, and the poverty of the former. The main point here is that the economic development of the periphery is rendered impossible by the domination of the global economy by the already industrialized capitalist powers. Second, the major argument of the liberal economic theory is that economic liberalization will help in the increase of flow of foreign investment into developing countries, as a result of the easing of trade and exchange restrictions. The notion is that, in the process of homogenizing the political economy of every member state of the international community, the objective of creating a market society in a global scale is within reach (Biersteker, 1993).

Again, one of the major objectives of liberalization is to reduce the resource gap in the LDCs, by improving the trade balance and encouraging a net capital inflow. Thus, the growing importance of international organizations such as the G7, IMF, WB, and WTO is indicative of the influence of liberal economic internationalism in the post-cold war period (Van and Biessen, 1996). However, these powerful transnational bodies, which embody free trade liberalism as their governing ideology, impose free market structures on developing societies. Liberalism creates dependency and stifles the infant industry in the periphery to the advantage of the centre. Since they are the primary organizations which formalize and institutionalize market relationships between states; they lock peripheral states into agreements, which force them to lower their protective barriers (GATT and NAFTA for instance), thereby preventing developing nations from developing trade profiles which diverge from the model dictated by the supposed "comparative advantage" (Burchill, 1996). All these were part of the factors that made the Kaduna textile industry and economy weak and therefore necessitate excessive dependence on imports of manufactures and exports of raw materials. In addition, these factors led to the closure of many textile industries in Kaduna State and dismissal of many textile workers thereby increasing the rate of poverty amongst the public members of Kaduna State.

History of Textile Industry in Kaduna State

The development of the textile industry in Nigeria dates back to pre-colonial time (Sani, 2008). Although the production of textiles remained at the cottage level until the 1950s when the first modern textile factory based on the machine (industrial production) was established in Nigeria. This textile factory was the Kaduna Textile Limited (KTL), established in 1957 (Sani, 2008). The cottage expansion of the textile industry in Nigeria continued under colonial policy which favored the cultivation of cash crops such as cocoa, groundnut, palm produce and cotton. With the boost in cotton production, raw material for textile production was made sufficient. Consequently, Nigeria emerged the dominant textile manufacturing country in West Africa (UNIDO, 2009).

After the establishment of the Kaduna Textile Limited (KTL) in 1957, some eleven other mills were established, with Finetex being the last mill, established in 1993 (Sani 2008). All together there were twelve textile firms in Kaduna in the 1990s.

Nine out of the 12 firms were very large and four out of the nine large textile firms were integrated mills with spinning, weaving and finishing processes (Sani, 2008).

However, the continuous and expanded production capacity of any manufacturing firm is largely dependent upon the saturation of the domestic market and market outlets abroad. The Nigerian textile industry lost its production capacity to stiff competition from other Asian countries, not only in foreign markets, but also in the domestic market. The result was the closure of some 25 textile firms in 2002 (UNIDO, 2009). Total export of textile products from Nigeria declined from 44 million US dollars in 2004 to 38 million in 2005, and then to 18 million U.S dollars before recovering slightly to 24 million in2007 and then 31 million US dollars in 2008 (UNIDO, 2009).

The Kaduna Textile Limited (KTL) was the first textile firm to close down in Kaduna in 1999. Between December, 2003 and December 2008, The Nigerian textile industry witnessed the closure of 25 textile firms. Kaduna which has large firms was worst hit as there was only one (Chellco Industries Limited) textile factory in 2008. Even the Giant United Nigerian Textile PLC and the subsidiary Suppertex had closed by 2007.

However, from 2010 the United Nigerian Textile PLC (UNTL) and Supertex have been revived.

Government Intervention on Revamping Textile Industry in Kaduna State

Various efforts has be made by governments to reform the Nigerian textile industry and there is a national consensus that the textile industry must be revived (Olutayo, 2009). These efforts started with the Obasanjo led administration when an outright ban was placed on imports of textile materials into the Country. Although this did not work out effectively as a result of our porous border, evidence shows by the display of imported textile materials all over the country. With the closure of Kaduna Textile Limited in 2002, Arewa Textiles in 2005 and United Nigerian Textile Limited in 2007, former President Olusegun Obasanjo announced a plan just prior to leaving of office in 2007 to establish a 70 billion naira fund (which was later increased to 100 billion naira) that would provide moribund mills with loans to revive the industry.

The same administration took another step by setting up a committee, which initiated the textile intervention fund (N70billion), with about 71% of this fund was to go to the textile and garment sector and about29% was earmarked for cotton growers. The effort continues during late President Umaru Yar' Adua's regime, a hundred billion naira fund was earmarked to make cheap loans available to operators in the textile sector in order to bring them back to business. About ten billion of these funds were disbursed in January 2010. President Goodluck Jonathan continued in the same spirit and great success was recorded as Nigerian Textile Plc which suspended operations in October 2007 has resumed work with a workforce of 900 employees in 2010. In 2012, the Jonathan administration again, came up with a policy of reinvestment of the 20 per cent levy on imported textile products for the development of the industry (Punch, 2015) and inaugurated NIRP in January 2015 to speed up the nation's industrialization process, improve business environment and encourage patronage of local products (Federal Ministry of Industry Trade and investment, 2015. President Muhammadu Buhari's also adopted a policy thrust and vision in the textile industry, the government in April 2016 inaugurated a special implementation committee involving critical stakeholders with my humble self, minister of state, Federal Ministry of Industry, Trade and Investment, as chairperson. The committee is saddled with the overall task of revamping the sector and attracting investments across the value chain i.e. cotton farming, cotton processing, textile manufacturing and garmenting. All these strategy adopted by these administrations is to reforms the textile industry to be efficient and effective in competitive global market. The Vice President Namadi Sambo reopened the moribund United Nigerian Textile (UNTL) Plc. under a special federal government intervention fund (Aguiyi, 2011).Another federal government initiative to bring stability in the textile industry is the cotton cultivation and fiber production initiative approved by former President Good Luck Jonathan. Under this initiative, millions of improved cotton seeds have been distributed to cotton farmers in Adamawa, Bauchi, Borno, Gombe, Jigawa, Kano, and Kaduna, Katsina, Ogun and Oyo states, free of charge. This effort is to boost cotton cultivation for industrial growth and emancipation from foreign industrial textile domination. It has actually encouraged farmers and it is expected that cotton production will be boosted to the advantage of both the farmers and the industry as many able bodied young men have started farming cotton in the states listed above. Adamu, M. (2011)

The recent Nigeria industrial Revolution plan (NIRP) launched in 2014 identifies the textile industry as one of the priority sectors in which the country is expected to have comparative advantage. The NIRP aspires to make Nigeria the largest producer of textiles in the Africa by giving various incentives to local producers, reducing smuggling and influx of imported textile and sponsoring buy-made- in – Nigeria textile product. Unfortunately, these measures and initiatives has not achieve the desired result on the development and resuscitation of the Nigerian textile industry and Kaduna State in particular.

Throughout the Government Economic Reform years, 1999-2015, the textile industry in Kaduna State continues to close down one after the other. The more the economic reform policy was strengthened to yield results, the more textile industries continue to shrink with the new investments virtually impossible, creating unemployment, over dependency on imports and smuggled of textile goods. For example, Kaduna Textile Limited was closed in 2002, Arewa Textiles in 2005 and United Nigerian Textile Limited in 2007, the UNTL (West African biggest textile conglomerate), suffers its highest closure in 2007 in history/worst economic fortune during the reform policies of the Obasanjo led administration.

Challenges militating against Government Economic Reform on Textile Industry

There is no doubt that a major reform policy package of this nature if properly adopted anywhere in the world will definitely spur and engendered rapid growth from all ramification putting in mine huge and blossom amount of money involves. However, contrary to the above, the government economic reform policy on textile industry in Nigeria and in Kaduna particular was a somersault and a draining pipe of the country resources. In other word, it was a failure of the highest magnitude and the major causes are as follows:

Inadequate Locally Produced Raw Materials: The availability of raw materials is the major factor of consideration when proposing the establishment of a textile industry. The basic raw materials for effective textile productions like cotton, silk, dyestuff, chemicals among others are not readily available at home. Where available, the quality is low, inadequate and not of commercial quantity for the industry's full production capacity (Oloyede, 2014). Even the petrol chemical based products such as polymer, dyes and other synthetic materials (which were later introduced and now being used in Nigeria) are scarcely available despite the fact that Nigeria is a big oil-producing nation. A recent visit to Chinese Textile Company in Lagos revealed that the raw materials used by most of these textile industries are imported due to the country's inability to produce them and the factor of liberalization policy of the nation (personal communication, 2015). Eneji et al, (2012) working closely to modernization theory comment thus; "Liberalism creates dependency which stifles the infant industry in the periphery to the advantage of the centre. Since they are the primary organizations which formalize and institutionalize market relationships between states; they lock peripheral states into agreements, which force them to lower their protective barriers thereby preventing developing nations from developing trade profiles which diverge from the model dictated by the supposed "comparative advantage" (Burchill, 1996). These factors subsequently determined the level of dependency on foreign textiles on one hand, and the exportation of locally-produced raw materials on the other hand, which in turn weaken development and viability of textile industry in Kaduna State. At this juncture, it should be noted that when raw materials are imported to produce any finished products the disadvantages are many; the prices of such finished products are always high increase in the rate of unemployment while the country's Level of skilled manpower is usually reduced. Also the country's socio-economic status would be adversely affected. Without doubt, this will narrow down the country's course of development. The local production of silk material for fabric production should be re-visited and encouraged to further enrich the nation's economy which is at the mercy of foreign nations. Silk is an historical textile material that shot some important nations of the world like China, Italy and France into fame and prosperity (Carlos, 1985).

Dependency on Foreign Technology: The machinery needed to produce textiles cannot be simple. textile production equipment are massive, complex, expensive and difficult to use in terms of manipulating millions of tiny particles of flexible units at a speed fast enough to satisfy the demand for its products. Textile production uses vast amount of energy which is not readily available in Nigeria Slatter, (2003).

Kaduna textile mills depend heavily on foreign technology (machines) and accessories. This practice becomes problematic and costly to the nation's economy due to high cost of importation of materials and tools, non-availability of spare parts for the replacement of worn-out or damaged tools, coupled with poor maintenance culture arising from inadequate knowledge of its components (Ohiorhehuan, 2001).

Often, these machines wear out with use and age while the unserviceable ones are often cannibalized in an attempt to put the working machines in good shape. This invariably affects production and quality of products that often leads to abandonments of local textiles for the imported ones as better substitute. There is need to intensify efforts in Nigeria's technological development with special focus on the ones needed in the industrial sector. Meanwhile concentration and emphasis could be on the fabrication of spare parts and the modification of the existing machines in order to move forward. In reaction to the above the federal government in partnership with an India company established the Nigeria machines tools industry in 1980 at Oshogbo, even though it has not achieved the set goals.

Low Patronage of Local Made Products: Investigations conducted among some selected consumers in Nigerian markets revealed that more than 70% of the people prefer imported textiles against locally produced ones. Price and quality have been observed to be the determining factors for consumer's choice of goods (Ogundele, 2000). As earlier pointed out, the non-availability of local raw materials, high cost and epileptic supply of electricity, old and dysfunctional machinery and brand designs are factors responsible for high cost of production which cause the prices of products to rise. These have also resulted to low quality products especially when compared with the imported "smuggled" ones.According to Nasir Lawal (2011), the president, National Union of Textile, Garment and Tailoring Workers of Nigeria, the problems which led to the collapse of the textile industry in Kaduna is the influx of cheap and substandard products from China where textile factories enjoy steady power supply and textile goods are produced by prisoners (http://www.nlcng.com).

The concomitant effect of all these is that smuggling has become a "booming industry". To address this ugly situation, all the aforementioned factors need to be considered for necessary action while government make and enforce laws to support, promote and protect the Nigeria textiles industries by providing adequate funding, personnel and enabling policies. Also, our political leaders should be encouraged to adopt made in Nigeria textiles as an official dress like ex-President of Nigeria (Olusegun Obasanjo) and a few others are doing. This will encourage more citizens to patronize locally-produced textile products. Government should also provide fund for approved institutions to enable them run relevant textile educational programmes, to improve the various categories of textile workers to enable them contribute positively to the growth, process and fabrication of a true Nigerian textiles that will function to achieve the goals of its establishment.

Smuggling of Textile Goods: Another challenge of the economic reform policy on the development of textile industry in Kaduna was further worsened by increased smuggling of textiles goods as the government did nothing to stop the illegal imports.

There was also a problem of undeclared products and non-payment of duties even by legitimate importers. Nigerian market was flooded with imported textiles. Total textile imports into Nigeria were estimated at USD 1.7 billion most of which entered through porous borders. All these denied the local manufacturers the essential competitive advantage (NUTGWTN 2005**).**

More so, the inability of Nigerian government to manage her border successfully and the influence of western lifestyle on the people have led to the smuggling of both second hand and new clothes into the country. It has been reported that government loses about $400 million to smuggling annually, about $1.4 billion worth of textile materials floods the nations market annually and 85 percent of these is smuggled. Above all is the insensitivity of the various administrations and over-dependence on oil revenue which has greatly contributed to the declining state of the Nigerian Textile Industry and her manufacturing sector as a whole (Agusto, 2011).

The activities of smugglers have posed a serious threat to the survival of textile industry especially the textile mills in Kaduna State. This is because the foreign textile materials are also cheaper and they are considered superior to local textile even when the local textiles are more expensive. These factors made foreign textiles more marketable than the local produced ones.

It is because of the competitive advantage of foreign textile over the locally made fabrics that smugglers continued to take all the risks involved in sneaking in contraband textiles materials into Nigeria until ban was lifted on the importation of foreign textiles. To justify the lifting of the ban, the federal government explains that the decisions were predicted on the need to discourage smuggling of the product and the benefit that would derived from import duties.

Inadequate Fund for the Industries: The challenge of government economic reform on textile industries in Nigeria and in Kaduna particular is the issue of financing. Whatever the case is, you will need money to kick start your business. Unfortunately, money is not readily available for textile manufacturers in Nigeria. When it is available through bank loans, the interest rates are so high 25%-40%). At such rates, it even if you made a profit, you will use a good amount of that profit if not all pay your debt to the banks. Textile industry is capital intensive and Nigerian industry in particular experiences shortage of funds for smooth running of mills. The industry has problem assessing funds from banks with high lending rates. The federal government has made effort to approved bail-out fund for the textile industry. The federal executive council under president Obasanjo approved 70 billion-naira for textile industry revival fund to revive the ailing industry. Unfortunately, this fund was not disbursed to the stakeholders. The bail-out fund was increased to 100 billion naira (Adamu 2011), and some textile mills that have accessed the fund have started operation. But nothing positively was achieved the released fund if utilized will take care of infrastructural deficiencies in textile industry in Kaduna State.

Power Inadequacy: Power sector has been a major challenge to the growth and development of textile industries in Kaduna State. The power sector is yet to yield the desired result to resolve perennial electricity shortage in the country. Currently, the power generation capacity stands at between 4,000 and 5,000. Mega Watts, which is quiet insufficient for a population of over 160 million. The main issue that hinders manufacturers is the access to un-interrupted power supply. The use of alternative power such as diesel generators in Nigeria increases the cost of production by a magnitude which discourages manufacturers. A simple example to prove that the core values of (NEEDS) targets of Obasanjo economic reform were never attained, and well substantiated because the case of power sector reform, as power supply remain elusive to most homes, needless industries in Nigeria. E.g power generation in Nigeria from “1999-2007” stood between 2000-3000mgw, which is seriously inadequate for the development and production output of industrial sector (Jibrin, 2004).

Insecurity: Another challenge of government economic reform on textile sector is the issue of insecurity in the country. For example vita- form has a manufacturing plant in Jos which has been closed due to insecurity in the Northern region. In fact, the last bomb blast in Kaduna was very close to one of the textile mills. Not to talk of perpetrating issues of kidnapping. Yet, the people perpetrating this evil live within the same economic environment we operate. Ginneries in the North and so have not been able to function as it expected. All these have affected negatively the development of textile industries in Kaduna State.

Problem of Technical Proficiency: Modern Textile industry has a complex set-up that needs to be handled with utmost care. Most of it units are independent and so, it requires different skilled personnel to handle them. These includedesigners, spinners, engineers, technologists, chemist, and marketing experts. When these professionals and adequately employed, it is also required of the latest development in their respective sections for the industry to witness growth. They should be give attractive remuneration to get their best as a worker in the productive sector of our Economic the wages of workers in Nigeria have been described as low compared with their counterparts (Obembe 1960).

Government policies: Economic policies play crucial roles for the growth of textile industry in Kaduna State. Such policies as lifting of ban on foreign textile and devaluation of naira which raised the cost of imported textile raw materials such as chemicals, machines spare parts and equipment have always affected the growth of local industry. Commenting on the success of the Indian economy, it was observed that the secret of Indian success in textile production basically hinges on favorable economic policy, high level of manpower which generates skilled labor, entrepreneurial skills, efficient multi-fiber raw materials manufacturing capacity, large domestic market, enormous export potential, very low import content and flexible textile manufacturing system (Yusuf. 2011).

Nigeria agreement with WTO in 1995: Another problems which led to collapse of the textile industry in Kaduna include the hasty and unprepared entry of Nigeria into WTO in 1995, by which Nigerian market became open to cheap and substandard products from China which are produced by prisoners, Unstable power supply which increases the cost of textile production as factories take the extra cost of maintaining generating set, poor infrastructure, and porous borders. Vanguard, March, 2003, Jekeri (Daily Independent, July 2011), Okenyi (The Sunday Observer, August, 2011) said that the problems that led to the collapse of the textile industry in Nigeria include; China's accession to the WTO in 2001 which undermined the Nigeria textile industry from two fronts: cheap imitations from China flooded the Nigerian markets and at the same time, the growth of Chinese exports to the United States made it almost impossible for Nigerian textile to compete with China for the U.S market as guaranteed under the African Growth and Opportunity Act (2000).

Conclusion and Recommendations

There is no doubt that the government economic reform policy of the past administrations right from the inception of democratic dispensation in 1999 to date was a bold step towards revamping the moribund state of textile industries in Kaduna and Nigeria at large. Part of the efforts made by government to reform the textile industry include; outright ban of imported goods and 100 billion naira provided by Obasanjo government as revival fund for the moribund textile mills. Another 100 billion naira was also earmarked by Umaru Yar'adua government to make cheap loans available to operators in the textile sector in order to bring them back to business and Jonathan led administration also came up with a policy of reinvestment of the 20 percent levy on imported textile product for the development of textile industry. President Muhammadu Buhari's policy thrust and vision in the textile industry, the government in April 2016 inaugurated a special implementation committee involving critical stakeholders with my humble self, minister of state, Federal Ministry of Industry, Trade and Investment, as chairperson. The committee is saddled with the overall task of revamping the sector and attracting investments across the value chain i.e. cotton farming, cotton processing, textile manufacturing and garmenting. However, these reforms policy has not made any positive impact on the development of textile industries in Kaduna

State. The textile factories in Kaduna State collapsed rapidly between 1999 to date largely due to a couple of factors which can be termed internal and external. The challenges faced the textile factories in Kaduna include lack of loans and subsidies to support local industries, smuggling of textile materials in to the country, inadequate, textile materials, unstable power supply, high cost of taxation and obsolete technology with which the textile factories operated. Other factors include the establishment of the World Trade Organization and the quick accession to it both by Nigeria and many developing countries and the integration of textile production into the rules of the World Trade Organization by which nations were to drop any non- tariff barriers to trade such as quantitative quotas.

Through the establishment of the World Trade Organization, nations liberalized and deregulated their textile subsectors, thereby, raising the level of competition both in the domestic and foreign markets. As a result of inability of the textile factories in Kaduna to stand the stiff competition generated by globalization, foreign capital were withdrawn instead of more foreign capital to be attracted to the industry. This robbed the textile factories in Kaduna of any foreign technology and managerial skill required for efficiency. Throughout the Government Economic Reform years, the textile industry in Kaduna State continues to close down one after the other. The more the economic reform policy was strengthened to yield results, the more textile industries continue to shrink with the new investments virtually impossible, creating unemployment, over dependency on imports and smuggled of textile goods. For example, the UNTL (West African biggest textile conglomerate), suffers its highest closure in history/worst economic fortune during the reform policies of the Obasanjo led administration.

The paper therefore recommends that for textile industry in Kaduna to resume back to business, government should provide grants immediately to farmers to start cotton production, power sector should be restructure to ensure 24 hours supply, re-introduction of measures to regulate the importation of foreign textile goods, Nigeria Custom Service should re-double her efforts in curtailing of smuggling of textile goods in to the country and lastly, sound economic policies should be formulates and implements by government of the day. More so, advocacy on the pride in using local made goods beginning with Nigerian goods should be done by the National Orientation Agency and the Ministry of information and communication, lastly, government should promote a multilateral trade arrangement on continental scale that can offer preferential treatment to textile products originating from within the continent.

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