

# THE RELEVANCE OF SCIENCE AND TECHNOLOGY IN ALLEVIATING THE IMPACT OF THE CURRENT GLOBAL ECONOMIC CRISIS ON THE THIRD WORLD NATIONS

**Ajala A. A.**

*Standard Organisation of Nigeria (SON)  
Gbongan Road Osogbo, Osun State  
E-mail: mailchemistyomi@yahoo.com*

## ABSTRACT

*This study discussed the relevance of science and technology in alleviating the impact of the current global economic crisis on the Third World Nations. Most nations of the world can trace their developments in virtually all sectors of their economy to the use of science and technology as catalyst. They are the fundamental drivers for the viability of most industries. This study brought to bare the relevance of the twin concepts in revitalizing the global ill health left behind by the global economic recession from the perspective of the Third World Nations. Consequently, it was concluded that de-emphasizing of importation and encouragement of local production of imported goods in order to curtail balance of trade deficit is also potent in alleviating the impact of the current global economic crisis on the third world nations.*

**Keywords:** *Catalysts, science, technology, economy*

## INTRODUCTION

Science and Technology in modern era of existence has proved relevant in fast tracking the pace of global socio-economic growth and development. This is as a result of the fact that it employs analytical and logical means of investigating problems that bedevil various sectors of the global economy continually. The impact of science and technology on global economic development cannot be over-emphasized. To say that Science and Technology, like Siamese twins that cannot be easily separated is the bedrock of modern civilization and development is not an exaggeration. At various stages in global development, science and technology with its principles is the last resort, whenever there is a crisis that requires urgent solution.

Science and technology is therefore indispensable in proffering solutions to the economic gloominess in which the world is currently enmeshed. It is noteworthy therefore to obviously point out that the effective utilization of scientific principles is the only way to short-live the impact of the global economic melt-down on the Third World Nations. The current global economic recession is not the first depression to be experienced by the world economy. The great depression of the 1930's was one of its kinds. This re-occurrence appeared on the scene in the US on August 2007 ([www.blurtit.com](http://www.blurtit.com).) This economic slowdown was initiated by terrorist attacks, the need to finance a war precipitated by fundamentalists leading to appreciably higher

fuel prices which helped accumulation of huge sovereign funds that were used to save the system ([www.blurtit.com](http://www.blurtit.com).) This study attempts to bring to prominence the relevance of science and technology in reversing the spate of woes left behind by the global economic recession from the perspective of the third world country, while not completely isolating itself from the perspective of the developed world.

### **SCIENCE AS A BODY OF KNOWLEDGE**

Science is a dynamic body which uses systematic methods to establish that a fact or a phenomenon is true. It is a branch of knowledge that requires systematic study and methods in dealing with substances life and natural laws. Science can as well be viewed as an organized body of knowledge and a way of investigation and thinking in an attempt to understand nature. As a field of study, it is concerned with the search for in-depth knowledge of nature and human society. Science is an inseparable component of human culture consisting of natural science, theoretical research and the study of the society among other things. The major task of Science therefore is that of changing and transforming nature and using an in-depth logical approach in proffering solutions to myriad of problems that bedevil the society on a daily basis.

### **WHAT IS TECHNOLOGY**

There are various definitions for Technology. But virtually all point to the fact that it is an avenue for proving that scientific principles are true in practical terms. Technology is the knowledge or the use of the mechanical arts and applied sciences (Vikrant Prakash, 2001). It is also the knowledge about science and about the making of machines, tools and instruments (Longman Pocket English Dictionary, 2001). In the same vein, technology involves the use of tools, machines, materials, techniques and source of power to make doing any work easier and productive. It is a positive and practical application of science in the service of man, that is, the use of scientific concept, skills, device, tools and implement in the production of the material needs of the society. It involves the application of scientific principles and laws in solving the problems of man. Since scientific principles are theories, laws and propositions, technology is applied to ascertain whether these theories, laws and propositions are valid or not.

### **THE EFFECTS OF THE GLOBAL ECONOMIC RECESSION ON THE THIRD WORLD COUNTRIES**

This international financial crisis, which is biting hard into the fabrics of the global economy has left and will continue to leave a spate of woes behind for the whole world, if decisive actions are not taken ([www.modernghana.com/news](http://www.modernghana.com/news)). Such include appreciably higher fuel prices (Glen Hiemstra, 2008), reduction in the flow of investments, reduction in the volume and prices of exports to the developed countries of the world, diminished overseas remittance, inflow of tourists, reduction in the

value of shares and reduction in foreign exchange ([www.mondernghana.com/news](http://www.mondernghana.com/news)). The effect of this global scenario was visibly seen in the reduction in the value of the major currencies of the world. Downsizing and downscaling in industries, job-cuts, soaring unemployment rates, closure of companies and industries among other things were also the effects of this financial imbroglio.

### **RELATING SCIENCE AND TECHNOLOGY IN ALLEVIATING THE IMPACT OF THE GLOBAL ECONOMIC MELTDOWN ON THIRD WORLD NATIONS**

Though the naysayers have gone so far as to predict that this crisis carries within it the seeds that will lead to the total collapse of the international financial system ([www.modndernghana.com/news](http://www.modndernghana.com/news)), yet many researchers have predicted that the world will soon rise above this challenge if decisive steps are taken. Some of the steps to be taken are highlighted below:

- i Stopping highway construction and focussing on railways,
- ii Ending subsidies to big age companies and directing dollars to small local farmers.
- iii Planning and construction of harbor and river shipping facilities (less energy intensive shipping),
- iv Re-directing new development,
- v Taking new decisions about nuclear power,
- vi Taking time out of immigration
- vii Psychological preparation for downscaling,
- viii Preparing for the end of the current global commerce as currently conducted,
- ix Preparing for a lot of paper "wealth" to disappear; and preparing for a psychology of resentment (Glen Hiemstra, 2008):

The following points among other factors can help to alleviate and cushion the effects of the current international financial crisis. First and foremost the encouragement and the development of small and medium scale industries which are technologically oriented though disbursing micro credits to the owners is one of the steps to be taken. Examples of such include rice processing, leather processing, arts and crafts, production of biogas among others.

Secondly, scientific and technological research into various sectors of the economy in-order to identify other areas of needs and advance means to address the whole issue and prepare for any like occurrence. Moreover, the knowledge of science and technology can be used to create small scale businesses thereby making people to be financial independent and as such unemployment rate will be reduced. In the same vein, scientific methods of investigation, observation and analysis can be used by scientist to provide additional and adequate knowledge on national economic planning to the government in order to curtail the impact of global economic meltdown and engender increase prices of commodities especially food. Scientists can be used

in the agricultural sector of the economy to research into the production of high yielding the expensive crops that grows rapidly, thus leading to abundant production of food for the growing populace. Furthermore, the populace industrial growth and development due to the attendant energy crises, infrastructural collapse and so on occasioned by the financial depression can be cushioned by the use of nuclear power, alternative fuel, infrastructural development and investment in the manufacturing sector.

## CONCLUSION

Third world countries in the Tri-continental area which include countries in Africa that have not been hit hard directly by global financial crisis, but are feeling the negative impact through lost trade and investments are therefore enjoined to soft-pedal on excessive dependence on importation. In recent past, rice producing nations in Asia and elsewhere restricted the exports of the product which several world trades may become even less competitive because of the inability to strengthen domestic production capacity and improve pricing competitiveness. This is partially because the stronger economies are adopting and implementing a new nationalistic approach to trade and investment contrary to the free trade policies they preach [www.modernghana.com/news](http://www.modernghana.com/news). In conclusion, de-emphasizing of importation and encouragement of local production of imported goods in order to curtail balance of trade deficit is also potent in alleviating the lingering effect of the recent global economic meltdown.

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