REVIEW OF THE CHALLENGES FACING THE NIGERIAN ECONOMY: IS NATIONAL DEVELOPMENT POSSIBLE WITHOUT TECHNOLOGICAL CAPABILITY?

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ABSTRACT

Recent developments in Nigeria have made a review of the health of the nation’s economy rather compelling. The political leaders have always raised the people’s hope by painting glowing pictures of their development plans and how to take the nation to the ‘Promised Land’ of true democracy and economic prosperity. They swore that citizens’ empowerment would become their top priority, yet they refuse to fix the infrastructure and institutions that would drive the economy and create employment for the millions of graduates churn out by the schools yearly. Like those before them, the ‘new breed’ and old politicians clamoring to rule are now promising to transform Nigeria into an economic and political powerhouse and the people cannot check their enthusiasm. History shows, however, that no country has ever become an industrialized society without technological capability and good governance, which are the main challenges facing the Nigerian economy today.

Key Words: Economy, Infrastructural and Institutional Challenges, Technological Capability, Good Governance, National Development, Nigeria.

INTRODUCTION

It is unarguably a Herculean task to govern a society, and it becomes much more daunting in a society such as Nigeria with an uncertain sociopolitical and economic environment. The state of the society is therefore defined by the ineffectiveness of the political leaders and poor social institutions that have crippled the economy and pauperized the people. The myriad problems in Nigeria are exerting untold pressure on the people who have utilized every opportunity to pour out their anger and frustration before any person who is willing to listen. Can the greedy and ‘me first’ politicians lead Nigeria to true democracy and economic prosperity? If the past is prologue it is really doubtful.
METHODOLOGY AND RESEARCH QUESTIONS

The data for this paper were derived from the research and analysis of scholars, analysts and practitioners, government documents and recent newspaper and journal articles. This is to say that the primary method of study was an extensive review of available literature for descriptive analysis of the problems facing the Nigerian economy. The sources of information were carefully evaluated and analyzed to determine their veracity. The research questions are: Has any country become an industrialized society without good governance and technological capability? Could the “Asian Tigers” become what they are today without investing in human capital development? Since previous political leaders of Nigeria are known for not working for the ‘common good’ the people should be warned to check their enthusiasm.

CHALLENGES FACING THE NIGERIAN ECONOMY

Human Development Challenges: Human resources play an immense role in the success or failure of any organization or nation in terms of capability and strength of character of the leaders and followers. In Nigeria, most of the problems facing the economy today are a reflection of the lack of investment human capital development and poor management of natural resources because education, which plays a critical role in human development and economic health of the nation, has been neglected for decades (Krueger & Lindhal, 2001; Dike, 2002). One has to understand the tribulations of the educational institutions and social infrastructure to appreciate the magnitude of the problems facing the economy.

Before independence in 1960 the schools in Nigeria were properly funded and managed and the students were well behaved and the quality of graduates was equal to those from advanced nations. But things went sour when the greedy and ‘me first’ home-grown politicians took the center stage and the schools were allowed to rot away. Since the 1980s the educational system has been facing myriad of problems emanating from poor funding, which has affected the morale of the teachers and students and resulted in ‘brain drain’ from the education sector. The schools lack the tools to produce quality graduates who can contribute meaningfully to national development and manage the affairs of the nation or to compete effectively in the knowledge-driven global economy. Majority of them lack job skills and basic literacy that drive human productivity, enlarge the nation’s economic pie and reduce poverty and crime. No nation would make any meaningful socio-economic and political stride without skilled technical manpower and viable educational institutions.

Instead of being a place for good character formation the schools are today a breeding ground for cultism and other destructive social behaviors. Thus ‘values education’ that involves ‘educating for character’, quality graduates, good ‘moral values’ and civic responsibility and which shape the character of nations has become a thing of the past. As Lickona (October 1992) has noted ‘respect and responsibility are the two foundational moral values’ that a society should teach its citizens. Others include good qualities include honesty, fairness, tolerance, prudence, self-discipline, helpfulness, compassion, cooperation, courage (the virtues of Aristotle) among other democratic values. According to Lickona (October 1992), ‘taking
responsibility for the things we do wrong as well as the things we do right’ is important for national development. But in Nigeria nobody is taking responsibility for anything.

All these have created an unfriendly economic environment. In its 2010 report on ‘Doing Business in Nigeria 2010-Through Difficult Times’, the World Bank ranked Nigeria 125 out of 182 economies surveyed in its Global Doing Business Report. The report showed that about 90 per cent of Nigerian businesses that operate in the informal sector lack access to credit. One would add that similar problems are facing those in the formal sector of the economy. And in its 2008 Review of World Development, the United Nations Development Programme (UNDP) ranked Nigeria 157 out of 177 in Human Development Index; Nigeria was also among the ‘Least Livable’ nations.

Some of the problems facing Nigeria today require common sense solutions, but others would involve sophisticated framework of ideas and application of advanced technologies. As Albert Einstein has noted ‘the specific problems we face today cannot be solved at the same level of thinking we were at when we created them’ (cited in Dike, February 1, 2000). To develop, Nigeria must educate and train its workforce and give them the skill and knowledge needed to perform their duties effectively and use their talents wisely. No society can build a modern economy with a poorly educated and unskilled workforce. For the economy to grow, and for businesses to thrive, the institutions responsible for human capital development should be properly funded, equipped and managed to enable them produce skilled manpower to manage the affairs of the nation.

Leadership Challenges: The leadership problem that has confronted Nigeria since independence appears to be worsening by the day because the state of the polity is rapidly deteriorating. Yet the leaders appear oblivious of the magnitude of the problems facing the Nigerian economy. As noted, very few of the leaders, if any, work for the ‘common good.’ Over the years a wave reform programs have been undertaken, but the society lacks leadership committed to implement them to address the problems facing the economy.

The leaders do not seem to understand that leadership is assuming responsibility for something. As Northouse (2007) has noted leadership ‘is a process of getting things done through people’; it ‘means responsibility’- having ‘passion for the purpose and the mission of the organization’ or society one leads. However, the leaders of Nigeria appear good at prescribing solutions to economic problems without providing the institutional framework to make it grow (Acemoglu, June 2003; Dike, October–December 2003; Edison, June 2003). And more often than not, their policies are hastily put together and poorly executed. The political landscape is littered with wreckage of unreasoned policies and those involved in such activities appear to enjoy the nation’s underdeveloped status (Dike, July 22-28, 2006). The activities of the leaders shape the reality the nation faces today because there is a glaring contradiction in their words and their deeds. For Nigeria to move forward the leaders must clean up their act and invest in the society. Most of them fail to understand that performance, and not rhetoric, is the only standard by which leaders are judged. Nigeria’s development rests with good leadership and governance.
Governance Challenges: Related to leadership problem is bad governance, which has among others, been defined as a system of values, policies, and institutions by which a society manages its economic, social, and political affairs through interactions within the state, civil society and private sector (UNDP, 1997 & 2000). Governance comprises the mechanisms and processes for citizens and groups to articulate their interests, to work together and mediate their differences, and exercise their legal rights and obligations with rules, institutions and practices that set limits and provide incentives for individuals, organizations and firms.

Good governance refers to the question of how a society can organize itself to ensure equality of opportunity and equity (social and economic justice) for all citizens. Good governance promotes people-centered development. And bad governance (political, economic and social governance) - the three dimensions of governance (Shabbir Cheema, April, 2004) - is among the major causes of the problems facing Nigeria and it is threatening to undermine its democratization process. The people are not allowed equal economic opportunity and freedom to participate in the political process. As Sen (1999) has noted, ‘unfreedoms’ leave the people with little choice to exercise ‘their reasoned agency.’ For Sen (1999), ‘Freedoms are not only the primary ends of development, they are also among its primary means.’ Thus development (social, political and economic) ‘requires the removal of major sources of unfreedoms.’

Because of bad governance the system lacks checks and balances (or mechanisms) to control the autocratic tendencies in government and to hold political actors accountable for their actions. The politicians do not practice ethical politics and their actions do not add values to the system. Lack of ‘ethical politics and values’ (Dike, January 15, 2007) and politics of hate and destruction have contributed in no small measures to the economic and political hiccups in the society. But the people have responsibilities too; they should not just sit there and hope for the best. As noted, they should be politically educated and active to get the government and the politicians to listen and act right. Political pressure from the people could determine the type of policy the government would choose for execution. Corruption is, however, a greater part of the problems facing Nigeria as it leads to poor governance that has hampered socio-political and economic development.

Corruption Challenges: Although corruption is a global scourge, Nigeria appears to suffer the most from it because the leaders are pathologically corrupt. Everyone appears to believe that the nation has a ‘culture of corruption’ (Smith, 2008). Over the years, Nigeria has earned huge sum of money from crude oil, which has gone down the sinkhole created by corruption. In an article, “Oil giant that runs on grease of politics,” Nigeria was described as a rich nation floating on oil wealth “but almost none of it flows to the people” (San Francisco Chronicle, March 11, 2007). Top public servants are very rich because they harbor the mentality that public money belongs to no one. National dailies are awash with news of how public officials are acquiring million-dollar homes (within and outside Nigeria) and stockpiling stolen public money in financial institutions abroad.

The ‘war against corruption’ appears like trying to contain the wind. The erstwhile chairman of the Peoples Democratic Party’s (PDP), Vincent Ogbulafor was forced to resign recently because of mountain of fraud charges against him (BusinessDay, May 15, 2010). Ogbulafor had earlier challenged the society to prove the 16 count charges against him (Daily...
Trust, May 11, 2010). The former governor of Delta State, James Ibori, was arrested in Dubai recently (BusinessDay, May 14, 2010) on money laundering charges; and Kenny Martin has about "$97.5m fraud" charge hanging over his neck (Vanguard, May 20, 2010). Recently it was discovered that over ‘N5bn’ was allocated ‘to non-existent agency’ in the 2010 budget (Nigerian Tribune, May 20, 2010). The reforms appear to have made Nigeria more corrupt.

Today the politicians clamoring to rule are harping on anti-corruption crusade and at the same rewarding corruption. Okwesilizie Nwodo (former Governor of Enugu State and National Secretary of the PDP) who was recently made Chairman of PDP was involved in the 2003 National Identity Card Project scam of about $214million (Daily Sun, June 14, 2010; Vanguard, December 30, 2003). And Depreye Alamieyeseigha (former Bayelsa Governor), who was found guilty of corruption by the courts in 2005 has been re-admitted to the PDP. There have been a wave of corrupt and ethical scandals oozing from the National Assembly, including the N2.3 billion car scandal involving Speaker Dimeji Bankole and other members of the ‘dishonorable’ House of Representatives; there is also the Halliburton, Siemens and Willbross bribery scandals involving some high-ranking public officials. Nigeria’s problems are not from the “harshness and the niggardliness of nature” (Keynes, May 1932) but corruption that prevents the society from investing in human capital development, particularly technological capability to drive the economy, create employment and put the nation’s abundant resources into productive use.

The Federal and States’ budget appropriations and statutory allocations recently reported that by December 31, 2010 the three tiers of government (federal, state and local) would have spent N40 trillion or more, since January 2006 (Vanguard, June 7, 2010). But there is nothing on the ground to show for spending such a huge sum of money. The challenge is: how does one expect the corrupt politicians to fight effective the ‘war’ on corruption? Corruption leads to ‘poor governance and low growth’ and hampers social development (Rose-Ackerman, 2004). One of the ways to control corruption in Nigeria is to monitor the leaders/peoples’ sources of income, particularly those who brazenly display their ill-gotten wealth. To breathe a new life into the nation’s ossified political system and economy, and to improve the people’s living conditions, the society must purge itself of high-level corruption and strengthen the institutions and infrastructure that drive the economy.

Infrastructural and Institutional Challenges: Any person familiar with Nigeria would agree that among the challenges facing the economy is ineffective institutions and dilapidated infrastructure (bad roads, erratic power supply, limited access to potable water and basic healthcare, and ineffective regulatory agencies, etc).The plethora of reforms and policies are ineffective due to institutional failure (Hoff, 2003). In a country where electricity takes about 40 per cent cost of production (Daily Sun, June 7, 2010) improving electricity supply would lure industries into the society and spur the sluggish economy.

Building a vibrant economy or restoring growth to an ailing economy takes resources. To ensure long-term growth and prosperity, Nigeria must use its resources wisely, invest in science and technology education and rebuild the institutions and infrastructure without which the economy will not gain from the ‘power of productivity’ (Lewis, April 2004; Dike, January 31, 2006). A nation enjoys higher standards of living if the workers can produce large quantity of quality goods and services for local consumption and extra for export (Mankiw, 2001). Without technological capability, however, the economic will
remain in shambles, productivity will remain low, the quality of goods and services will remain poor, and Nigeria will not effectively compete in the global market place.

*Lack of Technological Capability:* Unemployment has been soaring in Nigeria and the rate will continue to ratchet upward without technological capability to drive the economy and create employment. Because of lack of investment in technology education Nigeria is suffering from a shortage of skilled technical manpower to build and maintain its critical infrastructure and produce quality goods and services. The on-going global economic and financial crisis has worsened the already terrible economic situation. According to the ILO (August 15, 2010, p.62) the impact of the global economic crisis has pushed up global unemployment figure, particularly youth unemployment. Over 71.9 million youth out of the 1056.5 million global youth population was unemployed in 2008. But the figure jumped to 80.7 million in 2009 out of the 1214.0 million youth in the world. Other causes of high global youth unemployment include global industrial restructuring toward the knowledge-based and technology-intensive economy that allows industries and corporations to work with fewer workers; increase in minimum wage and the recent global staffing practices that favor experienced and skilled workforce over the less skilled or unskilled youth, and changes in business cycle (ILO, August 15, 2010; World Bank, January 21, 2010; Jeon, 2002, Kakwagh & Ikwuba, 2010, UNOWA, 2006).

The Nigerian economy is suffering from a shortage of skilled technical manpower and lack of technological capability. Modern economy demands technological skills to enhance innovation and to function effectively and efficiently (Rose, 2009; Offor, 2007; Freeman, 1987).

Development economists have noted that socioeconomic changes are impossible in any society without the preconditions (Webb & Grant, April 2003; Rostow, 1960; Soubbotina, June 2004). And with technological capability and good governance national development is possible. In fact, history shows that no nation has developed without “technological capability” (Kim, 1980 &1997, p.4; Bell & Pavitt, 1995 & 1997; Mohan, 2003). For Kim (1997), ‘technological capability’ is “the ability to make effective use of technological knowledge in efforts to assimilate, use, adapt and change existing technologies” (p.4). ‘Technological capability’ is an essential component for “sustainable development”-“development” that “meets the needs of the present [generation] without compromising the ability of future generations to meet their own needs” (United Nations, 1987; Smith & Rees, 1998).

However, because of the poor employment opportunities in Nigeria most of the youth are frustrated and desperate to leave the country. Stories abound of how desperate Nigerians, mostly youth, take extraordinary risks to travel to Europe, the United States and even to some African nations in search of an elusive better life. Some of them have been arrested, tortured, and maimed or imprisoned in foreign countries; and some of them have died in the deserts of North Africa in the process of trying to escape economic hardship (Hamoon, 2006; Fletcher, 2007). Those who survive the ordeal will live to recount their bitter memories; however, those who lack the will or resources to leave may engage in various types of anti-social activities including kidnapping for ransom and armed robbery, etc (*Daily Trust*, August 18, 2010). Nigeria needs sound macroeconomic policies to turn the economy around.
*Macroeconomic Challenges:* Policy inconsistency and greed are among the causes of the “hemorrhage” in the economy (Eichengreen, 2004). Every administration that comes on board takes on new policy initiatives instead of building on the previous ones. Consequently, Nigeria has toyed with a series of ineffective and poorly implemented policies. For instance, as Chief Economic Adviser to Obasanjo, Charles Soludo instituted the National Economic Empowerment and Development Strategy (NEEDS), which was supposed to focus on creating wealth and employment, reducing poverty and guide values re-orientation. After gulping a huge sum of money the NEEDS failed to achieve its objectives. The administration of late Umaru Musa Yar’Ardua dumped the NEEDS and adopted the Vision 2020 and the Seven-Point Agenda (*Daily Trust*, February 16, 2009). The Vision 2020 is the unrealistic aspiration of the administration to transform Nigeria into one of the first 20 industrialized global economies by the year 2020. The programs that now appear dead, gulped a huge sum of money, which could have been used to resolve some of the critical socioeconomic and political challenges facing the nation.

And as the Governor of Central Bank, Charles Soludo started the banking consolidation exercise in 2004 that reduced the number of banks to 25 from 89 and set the minimum capital base of banks to 25 billion Naira. But like every other reforms, the program did not translate into better governance or risk management in the financial sector. For those who may not recall the managers of six banks were recently dismissed for mismanagement of the banks by Lamido Sanusi who was appointed governor of Central Bank on June 4, 2009. And acknowledging recently that the banking consolidation exercise was not a panacea, Lamido Sanusi noted that unethical practices in ‘some banks and other financial services providers are detrimental to the growth of the economy’ (*Vanguard*, May 13, 2010). A ‘healthy banking sector is among the ‘keys to unlocking Nigeria's full growth potential’ (*Nigerian Tribune*, May 13, 2010).

The leaders do not appear to understand their responsibilities and that effective reform requires systematic policy initiatives (Rose-Ackerman, 2004). And they do not recognize that well thought-out and coordinated policies drive an economy and national development. Ensuring price stability and strong currency while preserving the external reserves appears daunting for Lamido Sanusi and his team at the Central Bank. Despite recent claims that it has achieved price stability within the system records show that the economy is suffering from rising inflation and unemployment (stagflation). However, inflation dropped to 11.8 per cent in March from 12.3 per cent in February, but went back up to 12.5 per cent in April (*Guardian*, May 14, 2010). The economy managers should understand that corruption, inflation and rising unemployment have the potential to erode social stability.

There is a correlation between inflation, spending habits and level of productivity. Nobody cares about how the politicians are making the money they are throwing about. Records reveal that from January to April 2010 the three tiers of government received more than N1.4 trillion from the federation account and over $3 billion from the excess crude account. And about N1.3 trillion was disbursed during the same period in 2009. With the 2011 elections around the corner, inflation is expected to rise when the politicians pump huge liquidity into the system. To curb the inflationary trend, the CBN should withdraw excess liquidity from the system through the Open Market Operation (OMO) and adjust its monetary policy accordingly. Good monetary policy helps to control the business cycle: it slows growth in a boom and spurs growth in a slump. However, monetary policy alone cannot correct all the anomalies in the economy; the National Assembly should adopt good fiscal
policy. In a well-managed economy monetary policy and fiscal policy work together to change the level of total demand. Economic growth should be tied to activities in non-oil sector, because resources from oil alone wouldn’t be enough to grow the economy and create employment. And growth in the agricultural and manufacturing sectors could moderate the prices of goods and services and create employment.

If Nigeria’s economy were a sick patient it would require a strong dose of good medicine. The industries are facing poor capacity utilization. Charles Soludo noted at a time when he was at the CBN that the economy was operating ‘at only 25 per cent capacity’ (Daily Independent, November 6, 2007). The capacity utilisation of the manufacturing sector has also declined from 70.1 per cent in 1980 to 29.29 per cent in 1995, with a slight increase to 52.7 per cent in 2005, and another decline to 47 per cent in 2009 (Guardian, September 17, 2010). The underutilization of resources has been blamed on ineffective institutions and infrastructure. Another problem is that the huge foreign reserve accrued when Charles Soludo was at the CBN is gradually disappearing. The CBN reported recently that the foreign reserves went down to $38.7bn as at June 2, 2010 from $40.28bn on May 17, 2010 (BusinessDay, June 3, 2010) apparently because the economy depends precariously on foreign inputs.

Nigeria’s foreign debt has also gone up. One of the major achievements of the Obasanjo administration was to bring down the nation’s foreign debts. This writer is not a fan of Obasanjo, but the truth cannot be denied. Between 2005 and 2006, the administration (with Ngozi Okonjo-Iweala as the Finance Minister) succeeded in making the Paris Club to write off Nigeria’s $30 billion debt, after a down payment of about $12 billion, thereby reducing the foreign debts to about $3.54billion. Because of bad policy Nigeria’s debt profile has gone up, again. According to the Debt Management Office (DMO), as at March 31, 2010 the foreign debt was about $4.104 billion and domestic debt was N3.4 trillion. One wonders what the leaders did with the money.

Market Challenges: Lack of genuine competition in the system is among the challenges facing the economy. Real capitalistic economies are controlled by market forces or what Adam Smith brands the ‘invisible hand’ (The Theory of Moral Sentiments, 1759). The self-regulating nature of the market determines where one lives and works, how much one earns, and what one can buy. Although every economy (developed, developing or underdeveloped) needs some form of government intervention, the leaders are yet to heed the advice of Adam Smith, in 1776, that State should not unnecessarily interfere in the economy. In Nigeria, however, the federal government has virtual monopoly of setting the prices of petroleum products. The federal government recently arbitrarily raised the price of gas by 400 per cent (Daily Trust, May 28, 2010) without considering its distributive consequences on the economy.

Given the poor state of the economy the debate in Nigeria today should focus on how the government should provide a favorable environment for a healthy economic activity and allow the laws of demand and supply (not personal idiosyncrasies) to regulate prices for the well-being of the public. Market forces (and competition) would drive ineffective organizations (companies) out of business and open up new market for well-managed corporations. For the economy to change along with
the changing new global economy, the economy managers, political leaders and their parties must discard their anti-
development mentality and adopt policies that would enable the economy to flourish for the well-being of the citizens.

Political Parties without Ideology: The multitude of political parties in Nigeria (about 56 and growing) devoid of discernible political ideology is a major part of the problems facing Nigeria today. In advanced economies and true democracies there are inherent ideological ‘wars’ among political parties that drive democracy, the economy and social development. In such nations people of similar ideology congregate under a party, push their agenda and build a strong democratic government. In the process of selling their ideologies political parties help to shape the political culture of the nation and enhance national development.

But in Nigeria the politicians thrive on ignorance as they shuttle from one party to another to achieve their selfish political purpose. They are only concerned about their entitlement that has assumed a disturbing dimension. Some of them take home a ‘salary of N2.48 million a month’ (outside their allowances). They get this ‘fat salary’ in a society with a high rate of unemployment and where about 70 per cent of the population lives on less than $1.25 a day (Dike, 2010). In addition, ‘each member is said to receive about 200 per cent of the basic salary as housing allowance, 75 per cent as allowance for vehicle maintenance and 30 per cent as allowance for entertainment, and another 30 per cent as allowance for utility. They receive 25 per cent for wardrobe and personal assistance allowances. For domestic staff allowance each senator gets 75 percent of his or her basic salary and 10 per cent as recess allowance, and 15 percent of the basic salary for the purchase of newspapers monthly’ (Anaro, June 21, 2010). Such a colossal waste of public money can only happen in Nigeria!

Unethical practices are among the challenges facing Nigeria today. For many of the politicians what is ethical and moral is often reduced to what they say in public to make a good impression and not what they do. Members of the Federal House of Representatives who have been sounding the trumpet of ‘political reforms’ could not recently trim down the number of political parties to ‘two’ as was suggested by some progressives (ThisDay of May 21, 2010). Nigeria needs no more than three political parties grounded in modern political ideologies. The government should discontinue the mouth-watering grants given to the political parties that exist only on the pages of the newspaper. And any political party that fails to win about ten percent of the seats in the State and federal Houses should be de-registered.

Lack of true federalism is among the challenges facing Nigeria. The federal government has enormous power; it gives out monthly allocation to states and local governments, and controls the mineral resources in every state. Any nation toying with the federal system is expected to conform to its basic tenets, without which it would not be regarded as such. Nigeria will not develop until the citizens (political parties and politicians) learn to work within the constitution and respect the rule of law.

Disrespect for the Rule of Law: Poor and uncertain regulatory framework is among the major constraints in developing businesses in the society. Nigeria is known as a lawless society – a place where the laws are disrespected and business contracts are not honored. Disregard for the rule of law was rampant during the Obasanjo administration; it was an era of selective justice: a set of law for the rich and well-connected and another for the poor. Although disrespect for the rule of law
has lessened, it has not stopped completely. There are still some unresolved electoral cases from the 2007 elections (*Punch*, January 14, 2010).

After a protracted court cases the Appeal Court in Enugu ruled on March 25, 2010 that it was Alphonsus Igbeke of the All Nigeria Peoples Party (ANPP), and not Joy Emodi of the Peoples Democratic Party (PDP), who won the April 28, 2007 election for the Anambra North Senatorial District. But David Mark attempted to refuse to swear in Igbeke as directed by the Court if not the intervention of the Attorney General, Mohammed Adoke (*Daily Independent*, May 19, 2010). In addition, Joy Emodi, in collusion with the Senate leadership, attempted to take the case to the Supreme Court after the INEC had issued Igbeke a certificate of return. The ‘lawbreakers’ failed to understand that the Electoral Appeal Court is the final arbiter of electoral cases. Political corruption has rendered the laws of the land impotent. It is against the principles of democracy and fair play to swear into office an individual who was not duly elected while the actual winner is held hostage in the court.

The present administration has, however, promised to set up Special Courts for Electoral Offences. But many people fear that the electoral offence courts could be hampered by the same forces that have rendered impotent the Election Petition Tribunals, the EFCC and ICPC. If one may ask what are the consequences for the judges who fail to expedite actions on electoral cases? Related to this is the ‘zoning’ of the presidency by some political parties without considering that the Constitution has no provision for that.

Good governance, not zoning, will move Nigeria forward. Handing out public offices based on ‘zoning’ or ‘federal character’ to individuals would discourage hard work, competition and hamper creativity and productivity. It will also prevent the society from electing the best possible candidates to manage the affairs of the nation. The system must encourage and promote a healthy culture of political competition, make good enforceable laws to control corruption, and conduct free and fair elections.

**SOCIAL STRUCTURE AND VALUE SYSTEMS**

Nigeria’s social structure and skewed value system are among the problems facing the society. Social structure, according to social science literature, is the way a society is composed or organized, including the ‘social web of relations that regulate human interaction’ (*Ferriss*, May, 2006). The social structure and values of a society determine its economic system and wealth distribution patterns, the effectiveness of its legal system and people’s quality of life (*Ferriss*, May, 2006). And the social and economic conditions determine the people’s attitude toward public resources and their social values.

Values are conceptions that guide the way individuals act and react to issues, evaluate people and events and explain their actions (*Rohan*, 2000; *Rokeach*, 1973; *Schwartz*, 1992). Also, social values determine what people believe in (good or bad). However, values vary according to groups (religion, tribes, and ethnic groups). A person’s (or an organization’s) values define its ‘structure and purpose’ and enable the individual or organization to determine what is important and meaningful.
Some people, however, believe that social structure develop naturally, while others think it is socially created by the elites who seek to control the economic system or institutional structure of a society (Hoff, 2003).

Social and leadership values could either spur or retard the pace of national development. Thus some cultures are more suitable than others for economic growth and development. Decades ago, Max Weber (1864-1920), talked about the ‘Protestant work Ethic’ and the forces that led to the emergence of capitalism and competition. Because of their work ethics individuals in the Western world are believed to have become rich through hard work-invention, innovation, creativity and high productivity. The economic success of the ‘Asian Tigers’ have been attributed to their ‘Confucian Ethic,’ which lays emphasis on hard work, loyalty and respect for authority, and of course, punctuality to work.

But because of corruption and moral laxity in Nigeria any person could become ‘wealthy’ and famous without any discernible source of income and nobody blinks. Public servants do not show up for work on time and do not take their work seriously; and they expect to get paid every month without being productive. The mentality that hard work and honesty does not pay (or not properly rewarded) has found its way into the school system as students do not take their studies seriously any longer. The ‘I don’t care attitude’ the mentality to get rich through fraud often discourage the spirit of competition and hard work, and thus, inhibit national development.

The incessant social unrests have combined with the turbulent global economy and financial crisis to undermine the people’s ability to earn a living and improve their lives (The Global Competitiveness Report, 2007-2008). There is a widespread social injustice in Nigeria; the government does not care about the welfare of the needy and the growing number jobless and sick people survive by virtue of the traditional safety net -the extended family system. There are conflicting statistics about the rate of unemployment in Nigeria: the Nigerian Labour Congress at some point estimated the unemployment rate to be 35 per cent while the National Bureau of Statistics report showed that about 10 million Nigerians (about 20 per cent of the entire labor force) were unemployed as at March 2009. And recently the World Bank reported that over 40 million Nigerians are unemployed (Daily Independent, June 22, 2010). How can a nation become great when most of the people are unemployed and discouraged?

The nation’s social structure and skewed value appear to have contributed to the failure of the many reforms, visions and agenda in the society. The Vision 2020 and the recent re-branding campaign gulped a huge sum that could have been invested on human capital development and infrastructure to spur the economy and create employment (Daily Independent, October 23, 2009). No society has become an industrialized nation without investment in human capital development, particularly technology education. The “Asian Tigers” could not have become what they are today without investment in technological development (Mohan, 2003). And any person who thinks that Nigeria can be transformed into an economic power-house without ‘technological capability’ must be living in a different planet.

AND THAT’S THE CRUX OF THE MATTER
The Nigerian economy has suffered a ‘shell-shock’ because the infrastructure and institutions that would spur the economy and create employment have been neglected. The unresolved socioeconomic and political challenges have increased public discontent; and many people are desperate to leave the country. Nigeria needs a leader who has the political will and commitment to challenge the status quo and transform the country into a knowledge and progressive society. A ‘knowledge society’ is ‘a society of mobility’ - one ‘in which many more people than ever before can be successful’ (Drucker, November 1994). Development-conscious societies are constantly restructuring and updating their social, political and economic institutions. No nation will become a ‘knowledge’ society without a viable educational system. And that is the crux of the matter with Nigeria.

The biggest worry for many Nigerians today is how to escape poverty and hunger. The poor and unemployed are not worried about their political future, but when the economy will become well enough to create employment. The government should focus on providing friendly business climate for economic activities and invest in human capital development, particularly technology education (Sen, 1975). Technical and vocational education will help the poorly educated and unskilled citizens to acquire employability skills (soft as well as hard skills) with which to secure paid employment or self-employment and improve their lives. This is impossible without a friendly environment for productive economic activities.

MEETING THE CHALLENGES

Nigerians are tired of being hungry in the midst of plenty. As noted, the political leaders do not care about the well-being of the people. While the people are slogging through the wreckage of corruption and wallowing in penury the leaders are busy painting glowing pictures of their plans and mesmerize them with colorful debates on how to lead Nigeria into the land ‘full of milk and honey.’ Painting an unrealistic rosy picture of a bad situation is deceptive. Rhetoric cannot develop Nigeria. Nigeria’s problems require a realistic solution. But it lacks the institutions and infrastructure to transform itself from a consumer society to a producer nation.

One of the friends of this writer who was disgusted with the appalling condition of things in Nigeria noted recently that Nigerians consume virtually everything imported from abroad: items ranging from chewing gum to toothpick. The leaders are not serious about changing the acrimonious and polarizing nature of politics because they thrive in chaos. History has offered the world a wealth of information on how economies grow and thrive as well as how economies collapse. But the leaders of Nigeria have refused to utilize the wisdom of history and follow the paths taken by leaders of developed and prosperous nations. The leaders of Nigeria are deceptive. Obasanjo promised to give corruption ‘a bloody nose’ yet corruption blossomed under his watch. And he was at some point the Petroleum Minister yet fuel shortage persisted. The late Umaru Yar’adua followed his footsteps and promised to declare a state of emergency on the ‘power sector,’ but Nigeria is still in the dark; and he vowed to create jobs with his Seven-Point Agenda, but the unemployment rate is climbing off the roof.
As the 2011 is around the corner the politicians who are clamouring to lead Nigeria are, again, promising to give the people ‘fire and water.’ But they have promised all those before but failed to deliver. One of the problems with the politicians is that they do not operate on any known democratic ideals. Nobody knows their values! All the political parties are the same; and one cannot differentiate between the ‘new breed’ politicians and the old ones. They are only good at raising the people’s hopes and dashing them. Because their promises do not contain any grain of truth the people have lost confidence in them. There is a growing concern that those clamoring to lead Nigeria today would connive with the corrupt political contractors and milk the nation dry, leaving the people with the elusive search for economic prosperity, as soon as they get hold of the key to the national treasury.

To address the challenges enumerated above, Nigeria needs a leader who has progressive social values. And they should adopts effective monetary and fiscal policies to stimulate the economy, tame bribery and corruption, nepotism and tribalism that are clog in the wheel of national development. Nigeria could become an economic power-house and command the attention of the international community only if it can give proper attention to education, particularly science and technology education and produce quality goods and services at least costs. This will enable the society to compete effectively in the global market place. And Nigeria must learn to reward hard work and creativity, without which the economy will continue to shrink. The people have a critical role to play in meeting these challenges. They should become politically educated and remain vigilant to make the leaders listen and act right.

Because of the inhospitable environment businesses are closing and others are relocating to neighboring countries with favorable environment. To meet the challenges the leaders should reverse the injustices littering the landscape, reform and restructure the ineffective institutions and fix the dilapidated infrastructure, and grow the economy to create jobs and give the people equal access to economic opportunity. However, history shows that no nation has ever achieved economic greatness without skilled technical manpower and technological capability.

Nigeria has not been able to develop as it should because the leaders have always put their personal interests above ‘common good.’ As Tony Blair noted in “A Call to Greatness,” an essay adapted from his memoir, A Journey: My Political Life (Time, September 13, 2010, pp. 42-45):

> The real test of leadership-amongst all the tests of policy, judgment, politics and ability- is whether, in the final analysis, you [the leader] put the [welfare of the] country [or organization] first; that ultimately you are prepared to put what you perceive to be the common good of the nation before your own political self. It is the supreme test. [And] Very few leaders pass it

Thus without creating a hospitable environment to lure investors into the economy; and without ensuring that the Constitution and rule of law is respected and business contracts honored; and without investing in human capital development, particularly technology education Nigeria will continue to dream of being an industrialized nation.
CONCLUDING REMARKS

Nigeria’s socioeconomic and political challenges have remained perpetually unresolved because of bad governance. It has had the misfortune of being governed by corrupt and visionless leaders since Independence in 1960. Consequently, nothing works in the society as they should: the institutions and infrastructure are ineffective, the education system is in shambles and the economy is comatose. The country cannot compete effectively in the knowledge-driven global market place with unskilled, poorly educated and unmotivated workforce.

Because of corruption Nigeria is now perceived by the world as a bad product. And like a bad product, any person trying to market Nigeria in its present poor state will find it extremely difficult to convince any potential buyer. No amount of advertising slogans can sell a bad product; in the same token no amount of fanciful slogans can change the poor image of Nigeria and transform it into a ‘great society. And like a bad product, the only chance Nigeria has to be accepted in the global market is for it to be recalled and remade to enhance its chance to compete in the market place.

There is need for a ‘paradigm shift’ in the manner the country is governed a collective mentality reorientation of the citizens to reposition Nigeria’s brand identity. Nigeria needs to adopt a skill-oriented education principle to train skilled technical manpower to build and maintain its critical infrastructure to drive the economy and create employment. Without that Nigeria’s quest for economic prosperity and political stability will remain elusive.

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