ECONOMIC GROWTH AND DEVELOPMENT IN NIGERIA

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Abstract
Government is indispensable in the affairs of citizens. It has become that hub around which revolves almost every meaningful activity in the form of governance. Governance brings a balance between the citizens and the government because it enhances trust and confidence. Good governance promotes good laws, security of investments, civilized and workable citizen-oriented economic policies, protection of investments from foreign competitors, encourages investments, formulating investment friendly monetary and fiscal policies, and provision of infrastructure such as roads, rails and energy. This study is set forth to enunciate how good governance can trigger socio-economic growth and development in Nigeria by reference to cueing into civilized best practices in terms of encouraging and protecting local industries through tax holidays, fighting smuggling and promoting local use of products and produce. Adopting the principles and tenets of good governance promotes local investment, kindles entrepreneurial spirit, and business risk-taking in an enabling environment. This study draws mainly from archival materials in literature. The prevailing unpredictable Nigerian business environment was discovered as a major task facing good governance. It was therefore suggested that government should, through good policies, protect and promote competitiveness, create, maintain, and secure the enabling environment for businesses and investment. And also to arrest economic decline which Nigeria has suffered over the years, in order for socio-economic goals to be achieved for the wellbeing of the citizens. The government of Nigeria is therefore, called upon to embrace good governance if it must get out of the present economic predicaments.

Introduction
Nigeria is threatened by economic decline, economic stagnation, stunted economic development and economic recession. These economic challenges happen, at times, simultaneously. This study argues the thesis that government has become indispensable in the quests for socio economic growth and development of states including Nigeria. It stresses the position that the economic and social activities of citizens in the state can no longer exist outside the purview of the governing authorities. That government is real and has become imperative in the world as presently construed is self-evident truth. However, the state cannot achieve her economic and social goals without government adopting civilized, populist, citizen-friendly economic, monetary and fiscal policies and of course socio-political policies, all of which ginger economy and bring out the creative best and entrepreneurial spirit in the citizens. This is where the concept of good governance makes rational and informed meaning. The principles of good governance take cognizance of the fact that the government ought to have clear commitment to aims and polices directed to the will-being, freedom and happiness of all the citizens. No government, at any level, can however, achieve this primary goal – happiness to the citizens – without first attaining a strong economic basis. And no
strong economic basis can be attained without the government doing the needful by way of creating the enabling environment critical to establishing, nurturing and sustaining business growth in the areas of commerce, raw material production, manufacturing, and distribution of foods and services. The support of local industries becomes a matter of necessity to government in the quest for socio economic growth and development in states, especially Nigeria. This study is informed by the author’s socio-economic experience as a keen watcher within. For instance, Nigeria used to boast of tyre and textile industries, among the best in the world. Kano was once a home of textile, not forgetting Aba, Onitsha and Lagos. Fabric making, using local cotton and yarn was the order of that period. In Lagos, Dunlop and Michelin were manufacturing motor tyres that even fed the African Sub-region. Industries in Nigeria were running three shifts. Today however, the story has changed to a sorry one. Every concerned and well-meaning citizen should be concerned. These are however not insurmountable. This is where government comes in with its might, force, legitimacy, power and authority. Government is well positioned being recipient of authority, mortal god and a contrivance of human wisdom to satisfy human want

Objective
The objective of this paper is to make informed contribution to the governing and regulatory authority on how to arrest the downturn, decline, recession and stagnation which the Nigerian economy has been experiencing over the years. Economic downturn occurs when productivity in a nation is declining rather than growing. It could also occur when an economy enters in to a recessionary period. Some of the signs include high rate of unemployment, industrial low productivity, continuous fall of value of stocks and shares. This study serves as a reminder and as an advice to the governing authority to do what it ought to do to save the economy of Nigeria. The observations, suggestions and recommendations as contained, are from an informed mind and an observer from within. It is meant also to fill the gap in some literatures. It is meant as well to help government in updating the blueprint for economic development. The contents have the force to redirect the economy in a fitting pathway even amidst challenges of globalization, corruption, sabotage and citizen despondency.

Methodology
This study draws from practical experience and archival materials hence, its approach is content analysis by way of review of data derived from extant secondary sources. The data were collected through the review of relevant published works including books, journals, web sources, structured interviews, commentaries, official documents/publication, professional publications, and such other scholarly writings on the economy that are relevant to the study.

Governance: An Overview
For government to drive the economy to its desired goal of increasing productivity, creating wealth and meeting the sustainable needs of the citizens in terms leaving for the future a good and strong economic structure and investing environment, what is required is that government cannot afford not to meet the original purpose for which it is established. Government is a contrivance of human wisdom to satisfy human wants. The legitimate object of government therefore, is to do for a community of people – citizens – whatever they need to have done but cannot do at all in their separate and private capacities (Bell, 1988). One of the things citizens are in dire need to do is to achieve economic goal. Man is by nature economic animal. He cannot attain genuine happiness without sustainable and strong economic footing. Government is therefore, that institution, that organ that rational human arrangement, with which mankind, united under the state is used to attain those objectives, and goals which make life and living not only possible but also continuous. To
buttress the enviable and imperative of government and to also show that it cannot shy away from giving total support to the economic duties of the citizens, one must look at the various apppellations by great philosophers. For instance, Thomas Hobbes, arguing the force and power of the ruling authority calls government the great leviathan, mortal god, which he refers to as being in charge of the commonwealth of the state. Jean-Jacques Rousseau on the other hand refers government as body politic having absolute power over all its members. Milton Gonsalves calls government recipient of authority. The strategic place government occupies in the state informs the reason for the enormity of power is wielded, the legitimacy it is accorded with, and of course, the respect citizens give. Having founded the state and having formed government, the task of providing the common good which is a means to citizens happiness falls on the shoulders of the ruling authority. Making this possible is not negotiable. It is from this proven fact that this study takes its cue.

**Good Governance: The Imperative**

To attain this laudable and lofty goal of the state, good governance is imperative. Good governance is imperative, good governance is sin qua non in attaining sound economic and social objectives in the state. The term “good governance” is finding a comfortable place in literature of development today. Even major international donors and financial institutions are now demanding good governance as primary criteria for aids and loans. To understand good governance, we must first understand the meaning of governance. Governance is the process of decision – making and the process by which decisions are implemented (or not implemented). Means that this process must be good, civilized, with human – face, with ultimate goal of achieving good life, happiness, common good and wellbeing of the citizens. That is to say, the process leading to decision – making in the state should not be corrupt but holistic with the diverse interest of all at the giving number.

According to the United Nations – Economic and Social Commission for Asia and the Pacific (2016), there are factors that must be taken into account in the decision – making process of government. These include participation of both men and women including civil society who must be informed of the activities. This means that there is freedom of association and expression. Another factor is rule of law, there should be good laws that are impartially enforced. Also these should be consensus in the state. The State has several actors. Their interests must be reconciled along the larger interest of the state. This required understanding of the plural cultures, religion, history and social contexts. Plural accommodation and tolerance must be promoted. The factors also include equity and inclusiveness of citizens must have a sense of belonging of equality and of equal opportunities and of the benefits and burdens. No group should be placed under any disadvantage.

Effectiveness and efficiency that is, the capacity of Institutions to produce results that meet society’s needs as they employ the resources of the state both material and human. Accountability is also crucial to good governance. Both government and private including civil society must be accountable to the public and must work towards achieving public good. Transparency is also crucial in good governance. This means that decisions and their enforcement must follow rules and regulations already known and agreed upon. Before this is done, however, information would have been at the reach of those concerned. Responsiveness in carrying out duties is important. Those to be affected – stakeholders – must not only be served on time, they must also be considered with all care taken to in the things that affect them.

All we have said can be captured under the following eight characteristics: Consensus oriented, Participatory, follows the rule of law, effective and efficient, Accountability, transparent, Responsive, Equitable and Inclusive.
Economic Development: An Overview
From policy perspective, economic development can be defined as efforts a that seek to improve the economic well-being and quality of life for a community by creating and/or retaining jobs and supporting or growing incomes and the base. It is a sustained community effort to improve both the local economy and the quality of life by building area’s capacity to adapt to economic change (Loveridge and Morse 2016). This definition suggests that there is difference between economic development and economic growth. Economic growth represents an increase in jobs and income in the community. It refers to the expansion in economic activity in the state. On the other hand economic development encompasses job and income growth, sustainable increase in the productivity of individuals, businesses and resources to increase the overall wellbeing of citizens and quality of life. In achieving economic development, Salmon Valley Business and Innovation Centre have given three broad areas that must be taken seriously. They include:
(a) Policies that governments undertake to meet broad economic objectives such as price stability, high employment, expanded tax base, and sustainable growth. Such efforts include monetary and fiscal policies, regulation of financial institutions, trade, and tax policies.
(b) Policies and programmes to provide infrastructure and services such as highways, parks, affordable housing, crime prevention, and educational programmes and projects.
(c) Policies and programmes explicitly directed at job creation and retention through specific efforts in business finance, marketing, neighborhood development, small business start-up and development, business retention and expansion, technology transfer, workforce training and real estate development. This third category is a primary focus of economic development professionals.

Economic Growth
Economic growth is the increase in the inflation adjusted market value of the goods and services produced by an economy over time. It is conventionally measured as the percent rate of increase in real gross domestic product, or real GDP usually in per capita terms. It is an increase in the capacity of an economy to produce goods and services, compared from one period of time to another.

Literature Review
There are extant works that have captured the state of the Nigerian business environment in some ramifications. In his section we take a look at some critical impediments to local business growth in Nigeria. For instance Nigeria has been rated very poor in ease of starting business and ease of doing business index. In the latest ranking by the World Bank Group, Nigeria was ranked 169 out of 189 economies of the world. This shows that it is difficult to start and to continue to do business in Nigeria. The difficulty starting business and doing business in terms of bureaucratic bottle necks, high cost of charges and corrupt state officials discourages growth of business and hampers economic growth. Some areas of difficulty have been identified by scholars. For instance, Fagbadebo (2009) have observed that Nigeria’s and transportation and power sectors of the economy are not strong enough to support a virile growth and development. According to Ngwama (2009) despite Nigeria’s huge resources endowment in energy and enormous investment in the provision of energy infrastructure, the performance of the power sector has remained poor, in comparison with other developing economies. Oyeneye et al (2014) are also in favour of electricity as a driver of industries. They maintained that manufacturing sector remains the engine of growth and development in any country. However, they noted that electricity supply in Nigeria is not adequate to drive the manufacturing productivity. According to them it is lack of energy that forced two tyre makers-Dunlop and Michelin to close down their factories. In the same vein a World Bank Report on Nigeria Economy 2012 (quoted by Oyeneye, et al)97% of firms own generators,
67% of production time was supported by generators, causing substantial additional cost and 75% of total cost of production was due to fuelling of generators. Munshin (2010) who studied 7353 firms in 12 countries including Nigeria documented in clear terms that over 50% of the firms have electricity supply as a major factor limiting productivity. For George and Oseni quoted from Oyeneye et al poor and inadequate supply of electricity accounts for crass unemployment in Nigeria. However, Musiliu (2012) (quoted from Oyeneye et al(2014) concludes that any significant improvement in electricity supply is capable of saving an amount that is equivalent to the cost of 1.5 million jobs.

Aside from the perennial problem of electricity, successive administrations in Nigeria have failed to give local industries the deserved support. For instance, Lucas (2015) argues that successive over the years have neglected other sectors of the economy since crude oil was discovered. One of the areas neglected is agriculture. According to Lucas, agriculture provided food for the increasing population and supplied adequate raw materials to the growing industrial sector, which was a major source of employment for about 70% of Nigeria’s population generated foreign exchange earnings and provided market for products of the industrial sector. Also in their Policy Brief a group of researchers on Sunflower Production (Ige 2011) noted that agriculture is the main source of livelihood in developing countries. Two third populations of developing countries is agriculture dependent for their bread either directly or indirectly. The population especially in developing countries is increasing at a high growth rate. For feeding huge masses there is the need to increase agricultural production proportionate to population growth rate. Another sore point in Nigeria’s economic landscape is the collapse of textile industry. According to Oladele Hunsu, (2015) a labour leader, in an interview said ‘from the several textile industries in Nigeria in the 1980’s, the country, shamefully, can no longer boast of being a hub for textile industries and this is as a result of many challenges bedeviling the sector of the Nigerian economy’. Some of the factors he mentioned include poor electricity supply and smuggling.

Prominent among the factors of production is the human factor. The human factor remains the driving factor of all other factors. Any state that wants to achieve economic development must therefore take the training and education of her citizens very seriously. At all levels including primary, secondary, vocational and tertiary, government should endeavor to provide the enabling environment for learning. Nigeria owes it a duty to train technical and vocational people to drive her industries. However, special attention should be paid to university education which is fast dwindling. According to Obayan (2012), as far back as 1915, American Association of University professors have noted the importance of university thus: all true universities, whether public or private, are public trusts designed to advance knowledge by safeguarding the free inquiry of impartial teachers and scholars. Their independence is essential because the University provides knowledge not only to its students, but also to the public agency in need of expert guidance and the general society in need of greater knowledge. Faborode (2013) buttresses the importance of university as he quoted from a British Council 2011 document: there is global understanding that higher education is a key driver of growth and development, as it engenders the creation of knowledge and innovation which are vital in steering sustainable development, including reducing poverty, improving global health, and enhancing national and global prosperity and competitiveness.

The Discourse
This study focuses on local business and investing including commerce, manufacturing and agriculture. How does good government come to the rescue of Nigeria business and investment? My observation shows what is true and obvious. Have we noticed that there is economic decline
in Nigeria? Can there be economic growth in the face of economic decline? Have you also noticed that our textile industries are gone; our tyre factories are closed? When you go round, don’t you notice that once warehouses have been turned to churches? Then something is wrong. What is wrong is lack of good governance in running of the affairs of the state. A good government is that which desires to make the citizens happy and which actually knows how to achieve that in concrete terms.

**How can this work in practice?**

How did other climes get it right, in terms of promoting and sustaining the local economies of their countries? These are questions to ponder as we grapple with the identified economic challenges of recession, decline, and stagnation. However, in our quest for economic and social development, government should be reminded to do what it ought to do, to arrest decline, kick start the economy, provide necessary starter – pack that sustains the local economy in the areas of manufacturing, agricultural produce and commerce. Naturally and rationally, government is contrived a placed aight to be always good, that is, has the mandate to always bring about happiness in the citizens. That is to say the actions of government must be citizen-focused. The concept of good governance simply captures this: it means the process of decision – making and the process by which decisions are implemented or not implemented. The process must only and always be good, civilized, with ultimate goal of bringing happiness to the citizens and promoting their well-being and common good.

Good governance principles can effectively be tested on economic development of the state as regards local business and investment: industries engaged in manufacturing, commerce, and agriculture. In what way can good governance come to the rescue? Let us first look at policy of government. Policy is important to the developing of any state. What policy? What process? What goal? Good governance principles direct government to always do a good deal with the people. Most, if not all failures of programmes, plans and projects of the Nigerian state hinges on policy often time not rationally but emotionally and selfishly formulated. Government does not always consider the local environment before making and implementing polies. The recent introduction of Single Treasury Account (STA) and the stoppage of banks charging Cost of Transaction (COT), are good examples.

Also when ratifying decisions from IMF, world bank, EU, government cares less to know the implication to local economic environment. What we have staring at us always is policy that is not adaptable locally thereby resulting always in policy summersault and policy failure. Government should always recognise the role of local industries and small business in economic growth and development and to the economic and well-being of citizens.

To rescue local industries a promote productivity government must through good policies, do the following: Protect local industries from those of advanced economies through quality custom service, tax holidays, provision of enabling environment – security, energy, roads, rails. Promote and compel usage of home-made goods and farm produce. Buy up unsold produce from farmers. Encourage cottage industries and support industrial cluster and not to continue with any intervention programme as has always been the case. Promote research a technical education. Improve on the ease of doing business. Employ multi-disciplinary approach in policy making.

**Recommendations**

Government should, as a matter of urgency, take policy making and policy implementation seriously. The days when government argues that the problem with Nigeria is not good policy but implementation are over. The position here is that good policy can be implemented with case since citizens have implement in their government.
Policies of government should have much disciplinary approach. Economic policies should not be left in the hands of economists alone. This has been the bane of policies in Nigeria. All stakeholders, in various disciplines, professors and callings, should be consulted before policy statements. Policies of government should be test-run, perhaps phased before full implementation. The recent policy of Single Treasury Account (TSA) and removal of cost of transaction from banks are cases in point. These seem to be having negative effect on the economy. Government officials and well-placed individuals and friends of government should be seen patronizing ‘made-in-Nigeria’ goods, and consuming grow-in-Nigeria produce. Government should be careful when or ratifying signing world bank, IMF, EU, and other treatise, decisions etc. all of these should be subjected to public debate.

Conclusion
Economic challenges are not strange even in the life of a nation. At one time or the other, countries suffer it in some degree. Economic challenges have been known to be surmountable. Many countries have successful come out of it. That Nigeria is undergoing economic challenges should not be any strange. What is required is for the government to stand up to the occasion and live to her responsibility and primary objective of making the citizens happy. This can however, be achieved better and faster if the government applies the principle of good governance. Government should be proactive and seek for advice and help from the various professions among the citizens. There is no doubt that government is placed in an advantage position to succeed. All that needs to be done is to put things in their proper position. Government is therefore called upon to reconsider her economic, social, monetary, fiscal, social, foreign and political policies and design them with the local business and the citizens in mind. With good governance approach, economic challenges will be easily addressed.

References

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