Innovations

Socio-economic and political challenges and implications for the Nigerian economy

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Abstract
After six decades of attaining political independence, Nigeria's greatness has largely remained in its potentials. This paper identifies and examines, descriptively, the socio-economic and political challenges confronting the performance of the Nigerian economy and argues that any economy desirous of growth and development must address frontally the indentified challenges, which may well call for re-jigging of the quality of its political process, institutions and economic reforms. The way forward, therefore, should involve; first, ensuring the existence of sincere and strong political commitment on the part of government to curb corruption; second, genuine commitment on the part of leaders and policy makers in government to diversify and promote non-petroleum sectors so as to widen the internal base of the economy; third, the realization that conflicts do have detrimental effects on the economy and the livelihoods of households, since insecurity hinders business environment and institutes threat to business organizations; fourth, the priorities of all tiers of government should be informed by attempts to confront the identified challenges. Above all, Nigeria requires visionary and transformative leadership at all levels of the society: a leadership with the attribute of readiness to sacrifice personal comfort for collective good.

Keywords: 1.*Corruption, 2.Inflation, 3.Narrow Economic Base, 4.Unemployment, 5.Weakened State Capacity and Elite Class*

1.0 Introduction

Nigeria attained her political independence from Britain in 1960, and commenced her planning experience with the First National Development Plan (NDP) (1962-68), followed by the Second NDP (1970-74), the Third NDP (1975-80) and the Fourth NDP (1981-85). The 1st NDP was to lay an enduring foundation for national development, as regards, infrastructure and social facilities as the basis for private sector investment. Based on Nigeria's oil-induced economic fortunes, the 2nd NDP was formed and oriented towards accomplishing post-civil war reconstruction through rehabilitation and expansion of existing socio-economic infrastructure, enhanced participation of government in agricultural production and the promotion of domestic industries, through the strategy of import substitution. The 3rd and the 4th NDPs, essentially pursued the same strategy of utilizing the oil-induced government revenues to boost the standard of living of the generality of Nigerians through the expansion of facilities in the spheres of social services and utilities and infrastructure. (Obadan, 2003: 112-128; Adeyemi, 2018:8-10).

The era of policy-oriented planning commenced and ushered in the Structural Adjustment Programme (SAP) in 1986, which was aimed at curtailing fiscal and external imbalance. But, SAP failed to deliver;

- non-inflationary growth
- enhanced efficiency in resource mobilization;

due to the failed promises of most Nigeria's external development partners to provide for the much-needed debt relief and ensure a steady and inflow of concessional resources; that would have complemented domestic savings and boost the level of domestic investment (Adeyomi, 2008:11). In 1990, the three-year rolling plan approach commenced, and was originally aimed at addressing the huge resource shortfalls which negatively affected the performance of the 1981-85 NDP. This rolling plan strategy failed on arrival, given that the annual capital budget, which was the instrument rolling for its implementation, over the years, was not derived from the envisaged plan (Obadan, 2003:135). Next came, the National Economic Empowerment and Development Strategy (NEEDS); a supposed response to the grossly underestimated extent of social, political and economic decay of the country (NPC, 2005). Yet, in 2012, the Nigerian Vision 20:2020, supposedly articulating the effective aspiration of Nigerians to become the top 20 economies globally in 2020 was launched (NPC, 2012). Currently, there is the Economic Recovery and Growth Plan (ERGP). Nigeria declined from being among the 50 richest countries in early 1970s to become one of the 25 poorest at the corner of twenty-first century (IMF, 2007; UNDP, 2006).

After several decades of economic planning, the Nigerian economic structure remains largely, undiversified, with oil exports accounting for over 90% of exports, manufacturing of exports recording for less than 1 percent (NPC, 2006; Obi, 2019). This unenviable low competitive and performance state of Nigeria's manufacturing happened in spite of the switch from import substitution industrialization (60's), through export promotion (70's and 80's) to market-oriented strategy. Yet, the switch, aforementioned, when it occurred in countries within Asian and Latin American, accounted for their miraculous industrial growth rates. Why? Any missing link, as regards, policy, institutions or political will? Any pathway for Nigeria to achieve transformational progress? (Egboro, 2019; Moghalu, 2021).

Given the post-colonial status and the evolution of Nigeria and the Nigerian economy respectively, the chances of wealth creation by the citizens and for the citizens, are largely dependent on how Nigeria's political system alongside politics, laws and government frame the entire economy and how productive the economy can be. It is therefore important for this paper to identify and examine the socio-economic and political challenges confronting the performance of the Nigerian economy and thereafter, attempt to construct some mechanisms/strategies to mitigate their negative effects on the economy.

The paper is organized into five sections. Section 1, is introductory and contains an over view of planning efforts in Nigeria, some relevant questions and the main focus of the paper. Section 2, examines some conceptual issues of Socio-economic and political challenges, that are germane to the understanding of the subject matter. Section 3, discusses some aspects of the Nigerian economy. Section 4, examines some emerging Challenges. Some concluding remarks are made in Section 5.

2.0 Conceptual Clarifications

Central to the understanding of the subject matter of this paper is the concept of Socio-economic and Political Challenges.

2.1 Socio-Economic and Political Challenges

Undoubtedly, any typical country would have myriad of socio-economic and political challenges that must be pruned along their systematic influence and consequences on national security and its progress, politically and economically. Based on the heuristic assumption that socio-economic and political challenges are impediments, capable of crippling investments and declining growth in any economy, including that of Nigeria, Obamuyi and Fapetu (2016), enumerated such to include;

- corruption
- poverty
- unemployment
- insecurity
- politics, leadership and good governance

Yet, based on causative, rather than their symptomatic impacts, Moghalu (2021) identified challenges that could render any country (including Nigeria), dysfunctional and cause underperformance in the economy to include;

- fall in national security and sense of nationhood

- weak political order formation
- fall in state capacity and the elite class
- the ‘curse’ of oil
- loss of global influence
- uncontrolled population growth

At a glance, is there any difference between the two aforementioned perspectives on the socio-economic and political challenges, particularly with respect to Nigeria? While pulsing in order to allow for an inspirational answer(s) to the power above, Musa (2006) perspective comes into focus. He observed, while appraising ‘Nigeria’s Political Economy in Transition’, that the challenges in focus include;

- low capacity utilization in the industries
- inefficient and inadequate power supply
- decay in the education and health sectors
- galloping inflation
- deteriorating exchange rate of Naira, against convertible currencies
- unemployment and mass poverty

It is worth noting that Musa’s perspective on the issue in focus was made in 2006. Sixteen years, down the line, can it be said that the landscape changed, either for better or for worse? There seems to be a convergence in the perspectives; the degree and what causes what may require econometric exercise (causality tests), although, it is outside the scope of this write up.

In order to minimize the cost implications of mismanagement of resources, crawling economic growth, unemployment, insecurity and poverty, some relevant questions raised by Obamuyi and Fapetu (2016) need to be addressed. These questions include;

- Is there any chance that the socio-economic and political challenges could provide opportunity for people (including Nigerians), to work in unison amidst different pathways?
- Can government be proactive in curbing the huge phenomena of corruption and insecurity?
- Any mechanism in place to checkmate the fruition of projections of economic crisis?
- Is the issue of ‘resource-curse’, particularly in Nigeria, intractable?
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3.0 Overview of the Nigerian Economy

An attempt is made here to have a glimpse at the nature, character and performance of the Nigerian economy through a succinct survey of the Manufacturing, Agricultural and the Oil & Gas (Petroleum) sectors, accordingly.

3.1 Manufacturing

Import substitution (IS) was adopted as a result of increased demand for foreign manufacture goods given the poor performance of industries in Nigeria. IS was also adopted to encourage growth and diversification from agricultural sector as the major source of foreign exchange to industrial sector. Between 1960 and late 1970s, output grew at the rate of 15% (annual compound rate). While GDP growth rate was 8% between 1970 to 79, manufacturing output grew at a compound rate of 12%. From 1981 to -2001, Food, Beverage and Tobacco dominated the manufacturing subsector, followed by Textile, Apparel and Footwear. This continued from 2002 till 2011. Within this period (2011) cement, basic metal, iron and steel and other non-metallic products, showed signs of improvement, in terms of their contributions to the manufacturing share of the Gross Domestic Product. Between 2012-2021, in addition to the observations made for the 2002-2011, wood and wood products, chemical and pharmaceutical products and motor vehicles & assembly significantly improved in the contributions to the manufacturing share of the GDP.

In fact, it is worthy of note that the developments in the units of the manufacturing subsector, between, 2018-2021, essentially the peak of the COVID. There were gradual but steady increases in the following units of the manufacturing subsector to GDP; cement, food, beverage and tobacco, textile, apparel and footwear, non-metallic products, plastic and rubber products and motor vehicles & assembly. Particularly, the contribution in Billion Naira, of the underlying manufacturing units between 2018-2021, were respectively;

- Cement –1,345.75; 2,241.42; 3,443.25; 5,019.25
- Food, Beverages & Tobacco –5,332.36; 6,382.61; 7,240.43; 8,607.66
- Textile, Apparel and Footwear – 2,965.69; 3,921.87; 4,306.95; 5,402.70
- Non-Metallic Products – 590.22; 927.24; 1,122.12; 1,649.51
- Plastic and Rubber Products – 389.83; 648.17; 605.75; 686.50
- Other Manufacturing –871.55; 1,037.77; 1,145.64; 1,739.45 (CBN, various issues)

What informed the observed steady growth in the aforestated manufacturing units during the period in focus? Between 2019-2021 period was the peak of the COVID, when restrictions were placed on the movement of people and goods within and across countries. Did the Nigerian producers/entrepreneurs look inwards? Why? Could the reason be due to lack of access to foreign inputs or foreign exchange to import? Any lesson for the policy makers?

The average manufacturing capacity utilization (%), continued to decline over time. Whereas, in 1981, the manufacturing capacity utilization was 73.26%, it was 40.35% in 1990 and fell to 32.99% in 2000. Although, it rose in 2007 to 62.04%, but fell in 2008 to 53.84% and remained generally at that level till date. Meanwhile, the import bills for manufacturing inputs continue to rise. Whereas, the import costs for inputs in Billion Naira, were 2.59, 2.29 & 1.35 for 1981, 1982 & 1983 respectively; the costs for 2010, 2011 & 2012 were; 1,616.76, 1,223.56 & 1,172.91 respectively. Although, the observed structural characteristics of the manufacturing sector is in conformity with the classic pattern of structural change associated with the initial stages of import substitution industrialization (ISI) in Latin America. For how long will Nigeria's manufacturing remain in its fancy or embryonic stage? The absence of an appreciably high degree of intersectional linkages within the Nigerian manufacturing sector, revealed in the scope and structure of input growth imported and its share of value-added in gross output has been blamed partly on government's fiscal trade and exchange rate which has been high and differentiated.

3.2 The Agricultural Sector

Nigeria has abundant natural resources for food production. Yet, agricultural sector in Nigeria has declined both in its share of GDP and in absolute terms. For instance, while the agriculture share in GDP for the first post-independence decade, 1960-70, besides, 1960, 19961, 1962 and 1963, with above 60% relative contributions, there has been a persistent and consistent fall in the sectoral contribution to the GDP; remained within the range of 48-58 percent. If the first post-independence decade's picture was abysmal, that of the second decade was worse. None of the years of concern recorded up to 50% to the GDP. The highest contribution was in 1971 (45.24%) and the least being in 1980, with just 22.49%. observations above about the uneviable share of agriculture to GDP, coincided with the emergence of high demand for oil (petroleum) and the resultant high prices with the period of statistical decline in the agricultural sector's contributions. Even its poor contributions to GDP continued unabated thereafter. For instance in 1981, 1991, 2001, 2011 and 2021, the agricultural sector shares to GDP were; 12.2%, 20.8%, 24.5%, 22.0% and 23.4% respectively.

The lack of 'major conceptual, methodological or organizational breakthrough in our agricultural development; over the years, has not only stagnated local food production, but also contributed immensely to Nigerians inability to feed themselves. A close look at CBN annual report (various issues) and Statistical Bulletin, would reveal the pathetic food situation, through the food import bill. While the food import bills in Billions of Naira, for 1981 and 1986 were 1.82, and 0.80 respectively that for 2011 was 2,885.44 whereas, the import bill on food were between the range of ₦28 million to ₦50 million between 1992-70, it only rose to ₦187 million and subsequently to over 1 billion Naira between 1971 to 1979.

3.3 The Oil and Gas Sector

The oil sector became a key player in the Nigerian economy, since the early 1970s. Over 95 percent of total foreign exchange earnings and about 87 percent of government revenue can be attributed to the oil and gas sector.

Between 1995-2004 period, the sector contributed on the average, about 11 percent of total gross domestic output. Whereas, oil and gas contribution to mining and quarrying subsector from 1986, 1991, 2001, 2011 to 2021 were 69.50 percent, 87.90 percent, 99.10 percent and 89.70 percent respectively; its contributions to GDP in these years were 2.80 percent, 11.40 percent, 11.70 percent and 17.30 percent respectively (CBN annual report, various Issues; Adeyemi, 2008:120).

In spite of the Nation's experience of over five decades with the sector, the capability of effectively harnessing the potentials of the sector to promote dynamic and self-sustaining growth is still a hope. Instead, the oil boom experienced in Nigeria in the 1970s can be attributed to the neglect of agricultural and light manufacturing sectors in preference for an unhealthy reliance on crude oil. Its (oil and gas), advent in Nigeria has not only been controversially termed; "a resource curse", the undermining in Nigeria of opportunities for economic diversification and sustainable development has been associated with the sector (APRM, 2008:288).

The sector has been encumbered with policy summersaults and institutional bottle necks. For years, the sector was 'home' to youth militancy in the Niger Delta area of Nigeria. The inconsistent and unreliable policy on environmental protection for oil-producing regions led to social unrest and political turmoil, in the upstream oil sub-sector. Oil and Mineral Producing Areas Development Committee (OMPADEC), the Niger Delta Development commission (NDDC), Ministry of the Niger Delta, are examples of efforts made to arrest the aforementioned social unrest and political turmoil, and also, to develop socio-economic infrastructure in the oil-producing areas.

Whether or not to totally deregulate the pricing of products of the downstream sector, with the hope of ensuring proper operation of the refineries alongside its maintenance and that of oil pipelines has been an issue for policy makers. Recently, Nigerian National Petroleum Corporation (NNPC) has been incorporated into a limited liability company. Hopefully, it is expected that;

- it would have a free hand to operate with the joint venture partners
- the treasury would be relieved of the provision for joint venture cash calls
- the operations and appointments in the NNPC would be more business-like and focused on attaining set targets (Adeyemi, 2008:129-131).
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4.0 Emerging Challenges

Adopting the Negligibility assumption, emerging from this paper so far are issues of;

- Plan formulation/implementation/financing
- The 'convoluted' democratic development and the weakened state capacity and the elite class (WSCEC).
- Attempt to curb corruption
- Unemployment, and
- Inflation

Negligibility assumption, implies, leaving out some issues / challenges, though important, non-treatment of them directly may not significantly affect the morals of this paper (Lehtinon & Kuorikoski, 2007)

4.1 Plan Formulation / Implementation / Financing

Central determinant of successful plan implementation is financing. No matter how well a plan is formulated, no matter the sophistry of articulation of the programmes, projects and politics, the moment there are no funds for implementation, the plan would remain at best, a theoretical proposal. The reliance on crude oil export receipts and external finance, through grants and loans, underlines the risks and uncertainties inherent in some of the modes of financing Nigeria's past/present plans.

With regard to the 1962-68 NDP, whereas the expected major source of finance of 50% of total investment performance was inflow of foreign grants, only 50% of the expected inflow of funds was realized. Even the 2nd NDP (1970-75), suffered the same impediment of unforeseen factors. In the course of its preparation, there was the petroleum oil boom. Consequently, only 19% of total planned investment expenditure was assigned to external financing. Yet, the 4th NDP (1981-85), collapsed, when the international oil market suffered a devastating negative shock (Obadani and Ogiogio, 1993: 48).

Recently, Nigerians were informed by the Minister of Finance and National Planning, that currently, Nigeria's debt repayment far exceed the capacity of the country to generate revenue. Yet, recall that Nigeria once paid $12bn in one financial year, under the Paris Club arrangement of debt forgiveness, due to oil windfall. The Paris Club, then justified the debt forgiveness on the basis that monies will be released for the provision of social service and infrastructure in Nigeria (Musa, 2006:4; Obi, 2015a, 2015b). What is happening?

Nigeria's Public External Debt Outstand (₦' Billion), in 1999 was 2,577.37, through 2006 was 451.46 (Obi, Ifelunini & Edeme, 2016) and in 2021, stand at 15,855.23. Why the quantum jump in Nigeria's public external debt?

Officially, the major factors, often mentioned are the rapid growth of public expenditure, particularly that of capital project, borrowing from the international community at mini-concessional interest rates, decline in oil earnings from late 1970s and dependence on imports, which has immensely contributed to the emergence of trade arrears (CBN, 2020; Obi & Ehiedu, 2020). Boyce, 1992 (cited in Ndikumana, 2006:191-192), opined that, looting of external debt and aid by government leaders is one vehicle of corruption, that is usually played down.

4.2 The 'Convoluted' Democratic Development and the WSCEC

Direct military rule prevailed in Nigeria for 29 years of its 61 years (as at 2022), resulting in the emergence of retired generals that have virtually eclipsed populist politicians and political parties with defined ideological expression from partisan political terrain. Consequently, the advent of the 'restored' democracy in 1999, in Nigeria, has not only failed to usher in, economic development and structural transformation, it has failed to entrench an order that would guarantee, strong institutions, respect for the rule of law and altruistic governance (Moghalu, 2021; Musa, 2006).

Over the years, state capacity has increasingly declined in Nigeria. Evidences of the weakness of Nigeria's state capacity abound. But in this paper, few of this would be mentioned, to include;

- Fall in national security and nationhood
- Petroleum and power supply
- Preformed economic crisis of the country, worsened by mismanagement of resources at all tiers of government, population upsurge and unemployment, particularly among graduates of tertiary institutions (Musa, 2006: 5; Moghalu, 2021: 3).

As regards, 'decline of national security and nationhood', with the conflict with Boko Haram, political dynamics have intensified, leading to economic and political challenges for the Nigerian government and its political economy. The crisis has been worsened by conflict-induced food insecurity and severe malnutrition. As at December 31, 2020, over 2.1 million people were internally displaced in Nigeria while over 778,000 people were internally displaced in Cameroon, Chad and Niger. The gains of the Nigerian Military, together with the Multinational Joint Tasks Force, have been played down by an increase of Boko Haram attacks in neighbouring countries (UNHCR/Africa, 2020).

The Federal Government Recurrent expenditure (₦'Billion) in 1999, 2007, 2015 and 2021 (representing the commencement of Obasanjo's administration, Yaradua/Jonathan's and Buhari's two terms) were 81.82, 253.39, 740.79 and 912.49 respectively, on 'Defence and Internal Security' (CBN, 2021). Yet, Nigerian citizenry are not guaranteed a safe business environment that allows for effective business activities and a sustainable development process. Investment cannot thrive in the midst of insecurity of lives and property, given that rational investors would not be encouraged to conduct business in an insecure environment. This may result in the migration of investment from the economy (Achumba, Ighomereho & Akpor-Robaro, 2013:79).

4.3 Attempts to Curb Corruption

Corruption, though a common phenomenon in many countries, in Nigeria, it is not only a pervasive challenge but a major obstacle to the development of the Nigeria economy. Corruption as a phenomenon has become entrenched in the Nigeria's public service to the extent that citizens have come to accept it as a way of life. In fact, corruption is perceived in Nigeria as the short-cut to accumulate wealth and a major factor accounting for the poverty and misery of a significant segment of the Nigerian populace. The inefficient public spending results in the collapse of social infrastructure and poor service delivery by institutions. (Adeyemi & Obamuyi, 2010 in Obamuyi & Fapetu, 2016: 15)

In fact, Moghalu (2016:4), puts the estimate of money lost since Nigeria's independence due to corruption to lie between $600 billion to close to $1 trillion. In addition to resource curse inducing higher level of corruption in Nigeria, inflation over time has brought about huge increase in the quantum of corruption. The new phenomenon of 'dollarization' of corruption in Nigeria, has been facilitated by the massive deprivation of the purchasing power of the Naira, thus encouraged the public officers to increase the rent they collected through corrupt enrichment.

In spite of the activities embarked on by the independent corrupt practices and other related offences commission (ICPC), Economic and Financial Crimes Commission (EFCC), Code of Conduct Bureau and the Budget Due Process Monitoring Unit, the entire Nigeria's political process continued to be hampered by corruption. Quseh and Oritsefor (2007), provided the reasons why corruption would continue to prevail in Nigeria to be;

- The moral tone of the country is not expected to change with corrupt leadership
- Domination of the economic space by government, undoubtedly enhances opportunities and ability to seek rents
- The seemed acceptance or tolerance of corruption by the civil society.

Adeyemi and Obamuyi (2001), insist that there is a conspiratorial alliance between political office holders and accounting officers; a fragrant abuse of best practices alongside due process, in an all effort to appropriate and divert public funds. The irony of this dubious act is the use of accounting techniques to cover up their tracks. Consequently, Saheed and Egwakide (2017) opined that;

> *… the commitment to fight corruption had not been demonstrated either by the government or her agencies responsible for anti-corruption crusades. Otherwise, what is the rationale behind the sack of the Governor of CBN, who alleged that about $20 billion was missing from the oil revenue account?*

Musa (2006:17), believes that ICPC and EFCC's attempts to tackle corruption would achieve better results if they were properly equipped and given free hand to operate.

4.4 Unemployment / Inflation

Table 4: Total population (million) Labour Statistics and Unemployment Rate

	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2020**
Total population (million)	173.60	178.50	183.60	189.50	184.20	190.90	206.10
Labour force (million)	71.10	72.90	76.90	81.20	85.10	69.50	62.20
Unemployment rate (%)	10.80	7.80	10.40	14.20	18.80	23.10	27.10

Source: CBN Annual Report (Various Issues)

Table 4, shows, among others that, besides, 2018 and 2020, when labour force reduced to 69.5 million and 62.2 million, respectively, the population smoothly grew alongside labour force. It is pertinent to note that the drop in the labour force in 2018 and 2020, coincided with COVID-19. The table, also showed, that over the relevant years, unemployment, increases, steadily, in spite of the supposed government programmes.

Programmes, such as the National Directorate of Employment (NDE), National Poverty Eradication Programme (NADEP), Poverty Alleviation Programme (PAP), the Sure-P, YOUWIN and others, were introduced by government to create jobs opportunities with a view to reducing the adverse impact of unemployment in Nigeria. Obamuyi & Fapetu (2016: 37-38) posit that the job creating programmes can only achieve their targets, when the problems of corruption, mismanagement and policy summersaults are addressed. In order to reduce unemployment, they insist, there must be the political commitment, on the part of the Nigerian government to, improve governance, institutions, physical and social infrastructure and policy environment. Obi and Ugulu (2022: 59) support the position, that unemployment tantamount to non-harassing of human resources, which in turn affect adversely, Nigeria's economic growth. They insist that, unemployment has a ripple effect, resulting in unemployment of previous years affecting the unemployment of preceding years.

Whereas in 1999, Nigeria recorded 6.6% of inflation, it was 5.4% in 2007. In 2015, the inflation rate in Nigeria was 9% and in 2021, it recorded 17%. Between 1995 Q1 to 2018 Q2, Bello & Sanusi (2019:106), posited empirically that, during the period in focus, two inflation regimes existed. They were made up of food inflation, energy inflation, firms' marginal cost and imported inflation; which in turn accounted for most of the changes in the prices of composite consumer's basket in low exchange rate depreciation regime. Achieving exchange rate stability remains one of the required conditions for disinflation during the regime at issue. Aimola and Odhiombo (2021) also, empirically showed that though evidence of a stable long-run relationship among inflation and public debt exist, but the impact of public debt on inflation is statistically insignificant, using Nigeria's data.

4.5 The Narrow Base of the Nigerian Economy

Until the early 1970's, when the petroleum sector became the main player in the economy, the agricultural sector was the main stay of the economy, even before Nigeria's political independence from Britain. Whether, the products are from the petroleum sector or the agricultural sector, Nigerian economy depends on, at any point in time, essentially on a primary product.

Tables 1, 2 and 3 below, are the inter-country variations in Competitive industrial performance (CIP), product concentration: Export concentration and product diversification: (Export Diversification), respectively. The main observations are accordingly.

1. In Table 1, whereas the first three countries (China, Germany and Japan), during the 2013-2021 recorded CIP 0.4, 0.5 and 0.4 respectively, Nigeria, recorded on the average, a CIP of 0.02. The high scores recorded by China, Germany and Japan is attributed to an enabling business environment, infrastructure, talent availability, low corruption levels and government effectiveness (Egbon, 2017).
2. In Tables 2 and 3, in the period, 2013-2020, all other countries except Nigeria, recorded relatively low export concentration. Nigeria recorded on the average, a high export concentration of 0.8. Nigeria, thus indicated narrow production base and export concentration. Oil remains Nigeria's main export.
3.

Table 1: Competitive Industrial Performance of various countries

Countries	2013	2014	2015	2016	2017	2018	2019	2020	2021
China	0.4	0.4	0.4	0.4	0.5	0.4	0.4	0.4	0.4
Germany	0.5	0.6	0.5	0.5	0.5		0.5	0.5	0.5
Japan	0.4	0.4	0.4	0.4	0.4	0.3	0.4	0.3	0.4
Nigeria	0.02	0.02	0.03	0.03	0.03	0.01	0.02	0.03	0.02

Source(s): UNIDO: 2018, 2019, 2020, 2021; UNCTAD: 2018

Table 2: Export Concentration of various countries

Countries	2013	2014	2015	2016	2017	2018	2019	2020
Argentina	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Chile	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3
China	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Germany	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Japan	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Malaysia	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Mauritius	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2

Mexico	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Nigeria	0.8	0.8	0.7	0.7	0.7	0.8	0.8	0.8
South Africa	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2

Source(s): UNCTAD, 2020

Table 3: Export Diversification

Countries	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Argentina	0.6	0.6	0.7	0.6	0.7	0.7	0.7	0.7
Chile	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8
China	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4
Germany	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Japan	0.4	0.5	0.4	0.5	0.5	0.4	0.4	0.4
Malaysia	0.45	0.44	0.44	0.43	0.43	0.41	0.43	0.45
Mauritius	0.70	0.70	0.68	0.68	0.68	0.71	0.71	0.71
Mexico	0.41	0.41	0.41	0.41	0.41	0.42	0.43	0.45
Nigeria	0.82	0.81	0.83	0.83	0.84	0.86	0.87	0.81
South Africa	0.54	0.52	0.50	0.49	0.48	0.55	0.54	0.57

Source(s): United Nations Conference on Trade and Developments (UNCTAD), 2020

5.0 Concluding Remarks

After six decades of attaining political independence from Britain, Nigeria's greatness has remained in its potentials, due to the earlier stated socio-economic and political challenges. Any economy, desirous of growth and development must confront frontally the identified challenges. Resolving Nigeria's crises, therefore, calls for total re-jigging of the quality of its political process, institutions and economic reforms.

The Way forward, therefore, should include;

- The existence of a deliberate state policy that would manifest through, sincere and strong political commitment, on the part of government, to fight corruption. Consequently, the anti-corruption agencies must be allowed to conduct their activities with transparency and accountability.
- Genuine commitment on the part of leaders and policy-makers in government to diversify and promote non-petroleum sectors, in order to widen the internal base of the Nigerian economy; proper transition from primary to secondary sectors.
- The realization that conflicts do have detrimental effects on the economy and on the livelihoods of households, living in conflict affected areas. Insecurity, therefore hinders business environment and institutes a threat to business organizations. Rather than being responsive, government must be pro-active in stifling in the bud, any potential crime activity.
- The priorities of all tiers of government should be informed by attempts to address the earlier identified challenges. Consequently, subsequent federal/state budgets should aim at;
    - Reducing poverty, generating employment and arresting the deterioration in social services and enhancing human capital development;
    - Reviving infrastructural services and utilities; so as to lay the foundation for stimulating higher industrial capacity utilization and competitiveness;
    - Shift resources to programmes and services that directly impact on the basic needs of the citizenry. Consequently review projects in the public investments portfolio and priority projects that provide public services, such as, education, health, roads, water and other infrastructures, which could contribute to productivity growth and private sector led development (Obadan, 2003: 176-177).

Above all, Nigeria requires visionary and transformative leadership at all levels of society; a leadership with the attribute of readiness to sacrifice personal comfort for collective good.

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