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Reinventing Nigerian Economy and National Development: From Recession to Progression

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Abstract

Given the high level of income generated from crude oil proceeds and other indices of economic growth recorded since Nigeria return to democratic rule in 1999. The present economic situation in Nigeria is an aberration of her potential in terms of enormous human and natural resources which placed Nigeria in an enviable position among the comity of nations in Africa. However, one of the puzzling questions that have preoccupied the minds of most observers of Nigerian economy and politics is how has Nigeria find itself in its present economic mess given her human and economic potential?, and why is Nigeria economic still surviving despite decades of pervasive mismanagement, widespread of corruption and prevailing informal economy system?. This study argues that, Nigerian economy has been ravaged by the indices of recession, though not vividly pronounced since the inception of Nigeria's Fourth Republic in 1999 due to gross economic mismanagement and high level of corruption during the military regimes. Unfortunately, the successive civilian administrations have managed to hide the true picture of Nigerian economy and sustained it through rent-seeking politics and other financial crimes activities before the advent Buhari's administration in 2015. The foregoing aptly explained the current lack of access to adequate fund to finance national budget by the government occasioned by high inflation, decline of foreign reserves, job loss, civil unrest, increased in crime rate, widespread poverty, national debt increment and developmental failure at large.

Keywords: Recession, national development, Nigerian economy, corruption

Introduction

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

In Africa South of the Sahara, Nigeria is endowed with enormous human and material recourses. For instance, Nigerian population is officially ranged at 184,201,962 Nigerian accounts for 47% of the West Africa population (World Bank report (2015). However, unofficial reports have put the country's population around 250 million. Nigerian population is characterized with diverse ethnic colouration with unique intellectual capacities and natural resources; chiefly among these natural resources are petroleum, iron ore, coal, uranium and other water resources among others. The snowballing effects of the collapse of the housing market in the USA and parts of Europe in 2007 and several decades of mismanagement, widespread corruption and bad governance have led to financial crisis and immense depletion of national revenue in Nigerian which has resulted in monumental poverty, gross unemployment, high level of inflation, continued decline of naira's value against U.S dollar, increase in crimes rate, brain drain and pervasiveness of insecurity that have tamed Nigerian development and economic prospects.

Some of the predicaments that have besieged Nigeria were captured by the World Bank (2013), Nigerian with over 170 million populations with enormous human and natural resources falls among countries with extreme poverty that over 70% of her people live on $1.25 or even lesser per day. Given the continue increase in Nigeria population growth, the quality and number of infrastructures have continued to decline: as the population increases the electric power generation drastically reduced to as low as 3760 megawatt as at year 2014 (National Electricity Regulation Agencies, 2014). Similarly, unemployment rate is fast accelerating with the increase in the number of graduates and it stood at 64.7% as at the year 2012 (World Economic Data 2013). This study conclude that unless the persistence of rent seeking politics, economic mismanagement by the political elites, prevalence of informal economic system, widespread of corruption and other illicit financial crimes are genuinely addressed and curtailed, the pervasiveness of economic downturn which has result in high inflation, insecurity, civil unrest, abject poverty, incessant decline of foreign exchange rate, unemployment and other indices of developmental failure will become more pronounced in Nigeria.

This paper is divided into six sections; introduction, conceptual clarification, the nature of economic recession in Nigeria, economic recession and the implication for national

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Volume 03 Issue 11
October 2017

development in Nigeria, conclusion and recommendations.

Conceptual Clarification

Recession/Economic Crisis

An economic crisis means that there is less economic growth, which leads to higher unemployment and inflation. This can lead to bankruptcies. It also means that household income and tax revenue decrease: when families have less to spend they will buy less food and food of less quality. They also cut back their expenses on health and education. Governments have to cut back on their budgets when tax revenues and foreign earnings decline. The demand for public services would exceed its available and supply which would cause problems in access for those who often depend on public services. In a more practical sense, recession is often accompanied by inflation and sometimes devaluation of domestic currencies which causes an increase in the price of imported raw materials, medicines and medical equipment.

According to Kumuyi (2010) the term economic crisis can be defined as a situation where there is a recession in nation's economic activities, a situation where the world's economy seems to be standing on its head.

National Development

The concept of development is multifaceted in nature: it connotes different meaning to different people and countries. To a great extent, what some developing countries in Africa would regards as development features for instance, in the areas of science and technology, might have become obsolete in some of the highly developed countries of Europe and America. As stressed by Kabuya (2011), development is basically a process of advancing people's lives and welfare. In the same manner, development has also been conceived by some developmental theorists as the changes in living standards, quality of life, prevalence women's status, and a change of people's attitude to work. In other hand, development has equally been defined in terms of: economic growth, increase in per-capital income, democratic consolidation, good governance, equality, poverty eradication, existence of freedom, technological advancement and holistic change in societal values among others. In contemporary international political system, development has been closely link with good governance: because good governance is an instrument for achieving better policymaking and improved economic outcomes. (see Obama,2009; Rodrik, 2008 cited in Kabuya).

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

Contrarily, Myrdal, (1968) and Seers, (1979) posited that economic growth should not be the determinant of developmental status of any country. For instance, Myrdal argues that the broad concept of development therefore, involves a change of the entire society in the direction of the modernisation ideals. In the same manner, Seers also formulated three additional requirements for the use of the term development, namely that there should be a decrease in poverty and malnutrition, that income inequality should decline, and that the employment situation should improve.

According to Evans, (1995) developmental outcomes of any country are largely conditioned by the form of state organisation, bureaucratic elements as well as the nature of its tie with dominant societal interests. He further stressed that, we can also talk of development when the state is autonomous: insofar, as its bureaucracy cannot be instrumentally manipulated by powerful rent-seeking groups outside the state, but also embedded, insofar as, it is able to maintain close contact with dominant interests in society for the purpose of negotiating and soliciting necessary resource inputs required in the transformation in process (Evans, 1989).

In the same vein, Leftwich (2000) stressed that politics is the dominant variable which determines the concept of the developmental state as well as the developmental success or failure in all human societies. In his opinion, appropriate politics in the sense of context, dynamics and purpose have been central in shaping the structures of developmental states, their development aims as well as their impressive performance.

Chang, alsodefines a developmental state as one that pursues policies focused on coordinating investment plans; has a national development vision; engages in institutional building to promote growth and development; and plays a critical role in resolving the conflicts that ariseout of reactions and counteractions to the development trajectory between winners and losers. Central to this, the state must be capable of providing a vision for society and create new institutions required to achieve this vision (Chanh, 2000a).

Corruption

Generally speaking, corruption has become a common phrase used consciously

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

or unconsciously in political discourse. Hence, there are no universally acceptable notions on the definition of corruption, its dynamics and consequences. To an extent, corruption may be describe as another means of wealth redistribution and palliative to government inadequacies to meet basic needs of its citizenry (Badmus, 2017).Therefore, there is a need to provide a clear cross-sectional perceptions of scholars and other stakeholders on the phenomenon of corruption. The World Bank (1997), defines corruption as the abuse of public office for private hains: public office is abused through rent seeking activities for private gain when an official accepts, solicits, or extorts a bribe. Public office is also abuse when private agents actively offer bribe to circumvent public policies and processes for competitive advantage and profit. Public office can also be abused for personal benefits even if no bribery occurs, through patronage and nepotism, the theft of state assets or diversion of state resources.

In the same vein, Osoba (1996) also argues that, corruption is an 'anti-social behaviour conferring improper benefits contrary to legal and moral norms, which undermines the authorities' capacity to secure the welfare of all citizens'. In effect, corruption undermine society's capacity tp provide opportunities for citizens to meet the basic necessities of life. Corruption has also been describes as a way of using money to pollute the political landscape and suppressing independent thoughts and behaviour, which may also involve physical suppression of all forms of opposition and thereby creating a state of political disorder (Kolawole, 1997). To Bamidele (2013), corruption is principally a governance issue, a challenge to African democratic functioning. It is a failure of both institutions and the larger framework of social, judicial, political and economic checks and balances needed to govern effectively. When these formal and informal institutional systems are severely weakened by corrupt practices, it becomes harder to implement and enforce laws and policies that ensure accountability and transparency.

Transparency International also defines corruption as the misuse of power for private gains.In the same vein, United Nations Development Program similarly defined corruption as the abuse of public power for private benefit through bribery, extortion, influence peddling, nepotism, fraud, or embezzlement-not only undermines investment and economic growth; it also aggravates poverty.In another sense, The BBC world dictionary also

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

described corruption as dishonesty and illegal behaviour by people in positions of authority or power. Corruption is perceived as a cetaceous malaise in all sectors of Nigerian society. It is more noticeable in the public service sector including the Local Government service (Ajayi, 2000). He further observed that, corruption by political and civil official's manifests in various dimensions such as embezzlement of public funds, misappropriation, inflation and indiscriminate re-evaluation of contracts and collaboration with contractors who may later pay kickbacks and percentage commissions to relevant officials and invariably leading to failed contracts and abandoned projects.

According to Quah (2003), corruption in Asian countries has five major causes. The most widely cited factor is the low salaries of civil servants. Second, the expansive role of governments in national development throughout Asia increases opportunities for administrative discretion and corruption, A third cause of corruption in many Asian countries is the low risk of detection and punishment. A fourth factor fostering rampant corruption in Asian countries is culture—in particular, the primacy of the family and Asian traditions of gift giving, and The fifth and most important reason for the extensive corruption afflicting many Asian countries is a lack of political will, combined with ineffective anticorruption strategies. Thus, according to the UNDP Anticorruption Practice Note, corruption undermines the rule of law and leads to the violation of human rights by fostering an anti-democratic environment characterized by uncertainty, unpredictability, declining moral values and disrespect for constitutional institutions and authority (UNDP, 2004).

As rightly observed by Kpundeh (2000), corruption is innately a complex phenomenon: it is rather defined nor explained by dishonest individuals and consequences of their behaviour. It is an intricately woven set of circumstance that occur as a result of actions of domestic as well as international actors within political, economic, and social sectors of a country. Similarly, Dorschel (2000), described corruption as exploitation of a politician's or civil servants' position for personal gain. To him, corruption is and offense which generally takes two, a bribe giver and a bribed person of organisation. The contemporary dynamics of corruption is not limited to 'classic' bribery for reward of public contracts. Bribe is also paid for the award of licences and approvals, and the

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

creation or preservation of monopolies. The misappropriation of public funds, the use of confidential information such as zoning plans, obstruction of justice, extortion such as threats of tax inspection, the sale of job or promotion in public services, and nepotism have been identified as other forms of corrupt actions.

The Nature and Causes of Economic Recession in Nigeria

In tracing the predicaments that recently besieged Nigerian economy, there is a need to analyze the implications of decades of pathological syndromes of economic mismanagement and problem of mono-cultural economy that have crippled the potential of Nigeria in leading the rest of Africa in terms of socio-economic and political development. Some of these problems includes; over-reliance on oil resources and its proceeds, the informal nature of domestic economic/business ecology, impact of global financial meltdown, uncontrolled and ever-increasing nature of internal debt, pathological nature of interaction between fiscal and monetary policies, monumental waste and mismanagement of national resources, unproductive nature of state government, wide spread of corruption, neglect/inadequate attention given to agricultural sectors, persistent decline in foreign exchange rate (Naira exchange rate to Dollar) and pervasive weakness of governmental institutions among others.

Over-reliance on Oil Resources and Its Proceeds

Since the discovery of oil resources and the crisis surrounding the Arab oil in the year 1973, agricultural sector which was initially the major source of national revenue and the largest employer of labour in Nigeria suffered tremendous set back in terms of government attention, reinvention and overall development. This was due to the advantage offered by the increased in the price of oil at the global market between 1973 and 1975. According to Budgit (2017) within the period of 1973 and 1975 the price of Crude oil per barrel had skyrocketed from $4.73 to $12.21…with oil providing for 77.5% of government revenue.

Given the new status of oil as the mainstream of Nigerian economic, both public and private enterprises begin to excessively depend on the huge foreign exchange attracted by oil products. This development encouraged the unprecedented increase in the government expenditure and the numbers of the so called ‘elephant projects’ in the 1970s/80s. Similarly, during this period the concept of the “job for the boys’ and ‘national cake’ find their ways

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

into Nigerian political vocabulary. This led to the establishment and duplication of several new bureaucracies therefore leading to increase in the number of civil servants. Given the high level of economic mismanagement coupled with extravagant life style of Nigerian government during this period as a result of surge in the price of crude oil products. National and foreign debts gradually beginning to increase owning to lack of feasible economic planning and inability to reinvest the proceeds from the sale of oil into other sectors of economy, particularly the agriculture. The following table depicts the paradigm shift in Nigerian gross domestic products for over 30 years (between the period of 1985 and 2015).

GROSS DOMESTIC PRODUCTS COMPOSITION

Economic Sextors	1985	1990	1995	2000	2005	2010	2015
Agriculture	17.81%	21.34%	27.29%	21.87%	27.09%	23.89%	20.86%
Industry (Excl. Crude Oil & Gas)	23.17%	17.99%	14.45%	12.09%	8.08%	6.65%	9.65%
Crude Oil	3.43%	11.62%	15.34%	18.36%	14.73%	15.39%	6.36%
Building And Construction	3.17%	3.47%	1.90%	1.77%	1.86%	2.88%	3.69%
Building And Construction	9.24%	13.87%	18.30%	14.79%	16.23%	16.47%	19.15%
Services	43.18%	31.71%	22.73%	31.12%	32.01%	34.73%	40.29%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: CBN Statistical Bulletin (2015)

The Impact of Global Financial Meltdown

Given the peripheral status of Nigeria and most of the African states in the

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

global system, it is obvious that any outbreak of economic misfortune or crisis in the Western counties will automatically impacted negatively on economy, developmental programmes and general wellbeing of Nigerian people and the government. As observed by Schuman (2009) the outbreak of economic crisis in the developed countries result in inadequate funds to finance investment and offer loans to developing countries which heavily relies on Western loans and developmental assistance for health care, socio-economic and political programmes. It was further argued that due to decline in exchange rate in most developing counties the costs of servicing the existing loans became higher…

Similarly, the U.S.A and many European countries also witnessed sudden collapse of the housing market in 2007 which led to the global financial crisis that lasted between the period of 2008 and 2009. The implications of this depending on the government of different affected countries; ability to altered their budgets, which eventually had substantial impact on the available funds to pay for health services (see Läänelaid and Ain, 2009; Nagpal, 2009; and Bailey, 2009), fund education, alleviate poverty, provide employment, invest in economic development and other critical governmental programmes.

Monumental Waste and Mismanagement of National Resources

The prevalence of rent seeking politics, ethnic cleavages, religion bigotry and inclination for personal aggrandizement were the prime motivator for unnecessary additional states creation, bureaucracy expansion/duplication which result in ghost-worker syndrome, non-beneficial foreign policy thrust and extravagant life style of government at all level in Nigeria. Unfortunately, Nigerian government failed to invest the proceeds from crude oil to diversification of export and public revenues. Instead, political leaders favoured overshooted Recurrent Expenditure, which was persistently on the increased. For instance, the recurrent expenditure rose from N963m in 1973 to N2.73bn in the end of 1975. This represented 183% increase within the period of two years (Budgit, 2017).

Despite the current reduction in oil production due to frequent militancy attacks on oil installations and incessant decrease in the price of crude oil at the global market which is greatly affecting capital expenditure. The recurrent expenditure such as allowances, salaries, debt services and transfers to statutory organizations remained

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

sacrosanct and supported via institutionalized legal frameworks..

Unproductive Nature of State Governments

In Nigeria, the state governments are more often than not heavily depend on federal allocation as a result of lack of initiatives and purposive leadership of most State governors. Thus, with the recent economic crisis, budgetary allocation has been severely affected. In return, this led to budget cuts and reduction in other allocations to all public sectors of the economy. The implications of the aforementioned consequences cut across virtually all sphere of economic life and political life of Nigeria. State civil servants including teachers' salary were sometime delayed, unpaid, half paid, and pro-rata paid. The snowballing effects of the budget cuts revealed in untold hardship, poverty, insecurity, bad governance and overall developmental failure in Nigeria

According to Coombs, (1985) educational sector in particular experienced a considerable share of economic crisis through budget cuts which affected not only the teachers but also students and their respective families. By and large, teachers' salaries represent around two-thirds of public expenditure on education, which explains why in some countries the first signs of recession had a direct impact on pay. Significant salary reductions due to economic crisis more often than not portend a negative impact on a country's ability to attract the best individuals to direct the affairs of many critical sectors of the economy.

As a consequence, the country will experience downturn in revenue and economic misfortunes which would affect the quality of lives, infrastructure, public services, health care, education, security performance and god governance at large. Is is instructive to note that, from the period between 2015 and 2017 a considerable numbers of states out of 36 States managed to pay workers' salaries based on the constant decline in Federation Account Allocation Committee (FACC) due to drastic decreased in internal revenue generation particularly the sale from crude oil (Bamigboye, 2016)

Widespread of Corruption and other Illicit Financial Crimes

According to Badmus (2017:194) the phenomenon of corruption is believed to be the major cause of several socio-economic and political misfortunes that has ravage Nigeria since the First Republic. It is instructive to note that in Nigeria like many other developing countries , corruption has

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

manifested in different forms which includes; money laundering, tax evasion, looting of natural treasury, bribery and other acts of illicit financial crimes

For instance, there are reported cases of prosecuted and none prosecuted cases of money laundering in Nigeria. The recent and prominent case was the MTN a South African telecommunication company operating in Nigeria. MTN was alleged in collaboration with four commercial banks and with the help of a serving Minister in Nigeria for money laundered of approximately 12billions dollars between 2006 and 2016. There were other corrupt cases which also involved N195 billion pension fund misappropriated and laundered by Alhaji Maina; the kerosene subsidy scam in which over $20milion was embezzled on every vessel and illegally moved to foreign banks.

In dollar terms every vessel of kerosene imported by Nigeria National Petroleum Cooperation (NNPC) with government money cost about $30million and it was sold at $10 or $11million generating rent of $20m per vessel to the syndicate; $6billion Fuel Subsidy Scam which involved several members of the ruling party (People Democratic Party) and their family members. Substantial amount out of this money were also carted outside shore of Nigeria; Police Pension Fund Fraud of N38.2 billion; NNPC missing $20billion naira from oil sales; and Mohammed Abacha N446 billion case of unlawfully receiving about N446.3bn allegedly stolen from federal government coffers among other cases of corruption which have result into illicit financial flow from Nigeria.

The conventional wisdom deduced here is that the unprecedented level of corruption and other illicit financial crimes since the beginning of the First Republic in Nigeria has hampered the government socio-economic developmental programmes which in return manifested in inflation, job loss, decline in foreign exchamge, poverty and economic crisis at large.

Neglect/Inadequate attention given to Agricultural Sectors

The contemporary mono-cultural economy and lack of initiatives for economic diversification has further contributed to Nigeria present economic misfortune. According to Adesina (2012) the tax generated from Agriculture is in abysmal, due partly to its informal nature: For instance, about 92% of farming activities exist in informal setting that are not documented or partially documented which make it difficult for any meaningful

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

planning on agricultural policy. Similarly, the neglect of agricultural sectors by the past governments in Nigeria has denied the country of the huge economic benefits this sector can offer to cater for needs and aspirations of Nigerian populace. As observed by Labour Force Statistics, (2010) the crop Production alone account for about 87.73% of activities in the agric sector. Undoubtedly, agriculture offers a huge benefit to support the country developmental agenda if properly managed. This is true as over 82 million hectares of Nigeria's total land area of about 91 million hectares is arable. In addition, agricultural production which includes crop production, forestry, animal husbandry and fishing accounts for 24.43% of economic activity in Nigeria. Unfortunately, only six major firms listed on the Nigerian Stock Exchange are operating in this sector and providing almost 30% of available jobs in Nigeria. The foregoing situations have also contributed to the decline in internal revenue generation and decline in foreign exchange earning which further encourage economic recession in Nigeria.

Persistent Decline in Foreign Exchange Rates

The incessant decline in foreign exchange earnings has further worsened the Naira value and the foreign exchange rate. For instance, official exchange rate of U.S dollar to naira for the period between 1981 and 2015 were illustrated as follows; in 1981, N0.61 was to equal $1; 1982, N0.67 was equivalent to $1; 1983, N0.72 was $1. However, there was a drastic decline in the value of Naira in exchange for U.S dollar as from the early 1990s and this reached an unprecedented level particularly from 2008, when N148.88K was exchanged for $1; 2009, N118.57K was equal to $1; 2013, N157.31K was equal to $1; 2014, N158.55K was equivalent to $1; and in 2015, when N193.27K was officially exchanged for $1. (CBN Statistical Bulletin, Budget Office).

The fate of the Nigerian economy was permanently altered due to the inability of the government to maintain a consistent foreign exchange rate as a result of decline in oil production and oil price at the international market. Given that crude oil remains a major export commodity and major source of foreign earnings. In Nigeria most businesses heavily depend on foreign exchange earnings from the sale of crude oil for different transactions, purchase of spare parts, procure machines, pay for imported materials and for expanding capacity.

Economic Recession and the Implications for National Development in Nigeria

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

Economic recession has far reaching impacts on virtually all aspects of National life in Nigeria. Put differently, the economic crisis impacted negatively on education, health sector, economic, infrastructure, good governance, security, development and political system at large. Consequently, with the persistence of economic crisis every sector in Nigeria are experiencing fair share of budget cuts which will have general affect on the overall performance on public sector.

Economic Recession and Educational Sector in Nigeria

The education sector like every other sector in Nigeria had been experiencing challenge with funding even before the recent outbreak of economic recession in 2015. This is partly due to drastic decrease in government allocation to education sector and widespread of corruption among the public educational mangers/administrators. As a result of the foregoing, all the three level of educational system have been seriously affected by inadequate funding which have negatively affected their performance and their overall contributions to national development. The following table provides statistics of the budgetary allocation to the education sector between the period of 2000 and 2015.

Nigeria's Budget Estimates and Allocations to Education Sector (2000-2015)

YEAR	BUDGET ESTIMATE (N' Million)	EDUCATION ALLOCATION (N' Million)	PERCENT
2000	689,770.63	67,568.10	9.7%
2001	777,932.83	59,744.60	7.6%
2002	866,095.03	109,455.20	12.6%
2003	954,257.23	79,436.10	8.3%
2004	1,042,419.43	85,624.65	8.2%
2005	1,919,700.00	114,695.06	5.9%
2006	1,900,000.00	166,600.00	8.8%
2007	2,300,000.00	186,000.00	8.1%
2008	3,240,820.00	210,450.00	6.5%
2009	3,101,813.75	216,640.00	6.9%
2010	4,070,000.00	249,080.00	6.1%

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

2011	4,483,100.00	306,101.00	6.8%
2012	4,721,000.00	400,150.00	8.5%
2013	4,987,500.00	426,530.00	8.7%
2014	4.6 trillion	493 billion	10%
2015	4.358 trillion	492,034 billion	16%

Source: ***CBN Statistical Bulletin (2015)***

As a result of decline in both internal and external revenue generation by Nigerian government occasioned by the recent economic crisis, the national budget for 2016 was reviewed downwards (Lanlehin, 2016). Given the downwards review of national budget, there was a significant reduction in the budgetary allocation to the education sector in 2016 which led to inability of some states to pay teachers' salaries and in return result in teachers' strikes and incessant closure of schools. In many occasions where the state governments results to salary reductions due to economic crisis, this impacted negatively on a country's effort to secure the best individuals to the teaching profession. As a consequence, countries will find it more difficult to maintain the quality of learning and future educational advancement (Ochu, 2010).

Economic Recession and Health Sector in Nigeria

It is very difficult to measure the implications of the economic recession on people's health and general wellbeing. This is true because many of the consequences of recession on health and general wellbeing of the citizen in Nigeria are not documented due to other socio-cultural factors and consideration. However, experience from past recessions has shown that the impact can be severe on infant mortality rate, morbidity rate, life expectancy, maternal mortality rate, low birth weight, widespread of communicable diseases, high mortality among elderly and children, and incessant mortality rate as a result of many curable/preventable illness such as malarial, typhoid fever, primary infections among others.

According to World Health Organization (2015) Nigeria was ranked as 187 out of 191 countries in its ranking of the world's health systems. This connotes that Nigeria's health care system is only better than that of Central Africa Republic, Democratic Republic of the Congo, and Myanmar. By implication poor countries such as Togo, Niger, Mali, and Chad were ranked well than Nigeria with 152, 170, 163 and 178 respectively. Similarly, the

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

Statistics from the UNICEF, WHO and UNDP confirmed further that Nigeria has a lot to do in improving its health system and making healthcare affordable and accessible to the millions of Nigerians who are not getting the health services they require. Importantly, as a result of recession and other factors, the budgetary allocation to the health sector in Nigeria is less than the 15 per cent minimum recommended for countries by the World Health Organization (WHO).

Economic Recession and Employment Opportunities in Nigeria

The Nigerian monoculture economy of dependence on oil has led to the neglect of agricultural sector which is the main employer of labour. For instance, Nigeria's oil sector accounts for about 80 per cent of her foreign earnings with minimal capacity to employ a large labour force. As it stands the oil sector accounts for about 14.50 per cent of the Gross Domestic Product (GDP), it could only employ about 0.3 per cent of the Nigerian total labour force in 2014. This shows that agriculture and manufacturing account for about 24.7and 7.3 per cent of the GDP as at 2016 respectively and still remain large employers of labour in the country.

In the same vein, NYSC (2015) observed that it mobilized an average of 289,060 corp members in the year 2015 in three batches (A, B and C) with only few companies/firms willing to absorb/employ the corp members. The incidence which further led to increased in unemployment rate and poverty level within the country.

Apart from Foreign Direct Investment and crude oil production which have seriously affected by recession, other local investments and businesses have also been adversely impacted: some of these investments/businesses are either downsizing, while some eventual closedown. Prominent among the companies affected are Peterson Zochonis and Unilever which are major manufacturers of toiletries which announced their closing of operations in Nigeria (Sunday Trust, 2015). In the same manner, Dunlop Nigeria PLC, manufacturers of tires also shut-down its operations in 2009. These business closures resulted in the loss of over 5000 jobs; while the banking industry lay off about 22000 people during the same period (Xinhua, 2010). The foregoing developments also worsen the impacts of recession on the general wellbeing of Nigerians and Nigeria development at large.

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

The closures of businesses and huge number of laid off workers in Nigeria has increased the number of unemployed people in the country. This has encouraged the pool of gullible youths that could be easily recruited by unscrupulous persons as political thugs or criminal gangs. According to Kayode (2016), about 40 million Nigerians mostly between the ages of 18 and 25 are jobless. Therefore, the economic recession has increased the level of unemployment in Nigeria, reduced human capacity utilization, aggravated poverty, increased possibility of criminality and reduced national development.

Economic Recession and Infrastructural Development in Nigeria

The reduction in Foreign Direct Investment (FDI), credit crunch that hindered lending by banks and the fading of international credit line occasioned by the economic recession had impacted negatively on infrastructure and national development in Nigeria by hampering the sources of project funding (Ajakaiye and Fakiyesi, 2009). In the same vein, Public-Private Partnership (PPP) investments in power plants to provide electricity and other critical infrastructure like railway and roads were exposed to FDI uncertainty and inexplicable changes. Busari and Babatunde, (2009) further stressed that, Nigerian investor's experienced difficulty in securing loans from the banks and other financial institutions

to execute large scale capital intensive projects because of liquidity squeeze at the banks

Consequently, many local manufacturers had difficulties because of the high costs of production resulting from high transportation costs and the use of diesel to generate electricity, thus making their products unable to compete with imported ones. The unfavourable business environment as a result of inadequate infrastructure in terms of power supply led to relocation of many companies previously operating in Nigeria to Ghana. The affected companies includes; Dunlop, Cadbury, PZ, Guinness, and Unilever. This negative development has resulted in loss of jobs, exacerbation of poverty and low quality of life to the affected Nigerians (Hazzan, 2014). By and large, economic recession has impacted negatively on infrastructure and national development in Nigeria.

Economic Recession and Security Issue in Nigeria

The laying off of workers in year 2015 and 2016 where Lanlehin (2016) informed that 1.7m Nigerian losses their job within a

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

period of one year because of business closures resulting from the impact of economic recession which further increased the number of the unemployed, increased economic insecurity and worsened poverty in Nigeria. The large pool of the unemployed particularly the youths could be recruited as political thugs and criminal gangs thereby aggravating insecurity in the country. This is detrimental to the socio-economic development of the country and well-being of Nigerians and thus a challenge to national development.

The impacts of unemployment among youths and jobs loss became noticeable on Nigeria national security. The negative impacts of unemployment depicts increased involvement of unemployed educated youths in several crimes such as; armed robbery, smuggling, human/drug trafficking, kidnapping, cyber frauds, terrorism, militancy and the growing threats of cult groups like 'Badoo boys', 'wawa boys', 'one million boys' and 'Egbesu boys' among other nefarious activities which are detrimental to national development and good governance in Nigeria. In essence, most of the crimes highlighted above became more pronounced and pervasive with the outbreak of economic recession in Nigeria.

.

Conclusion

The outbreak of economic crisis toward the end of 2015 in Nigeria, were partly due to decades of economic mismanagement and unprecedented looting of national treasury by the emerging political leaders. The consequence of recession has far reaching effects on the entire well being of Nigerians and virtually on every socio-economic and political sectors in Nigeria. In a more practical sense, recession has led to high level of unemployment, decline in foreign direct investment, reduction and closure of local businesses/companies, widespread of poverty, civil unrest, high incidence of insecurity, high rate of mortality and encouragement of insurgency groups among other vices.

Recommendations

Irrespective of the consequences of economic recession on the fundamental existence of Nigeria as a nation, there is no doubt about the untold hardship caused by the outbreak of recession in Nigeria. Therefore, the following suggestions are made to curb the damaging effects of recession and channel pathways for economic reinvention and progression of national development and sustainable good governance in Nigeria.

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

1. Given the ceaseless failing of government institutions and the crucial role its failing plays in encouraging corruption and mismanagement of national resources in Nigeria. It is highly important that conscious efforts should be made to strengthen government institutions through necessary reforms in order to prevent public institutions from been infiltrated and influenced by crime perpetrators and corrupt government officials. Through the foregoing, corruption and mismanagement of government resources which are primary causes of economic crisis could be minimized to ensure development and good governance.
2. The trust network relation should be reinvent between the government and the citizens through creation of employment opportunities, poverty reduction programmes, and entrenchment of a system of equity, justice, and accountability within Nigerian society.
3. As matter urgency, Nigerian government must ensure to diversify her economy from excessive attention given to oil sector by investing in agriculture and other sectors of the economy that have the potential to boost Nigeria's foreign earnings and reserves.
4. Tenacious efforts should be made by Nigerian government to provide adequate funds to the key sectors of the economy in order cushion the negative effects of recession on socio-economic development and on entire wellbeing of Nigeria populace at large.
5. Nigeria political system must ensure it rewards unique innovation and creativity. This is crucial especially at this present economic situation. Through innovation and creativity business owners would be encouraged to develop new ideas, make discoveries through research, including the discovery of cures and therapies for diseases, solving scientific and engineering challenges which will help the country to reduce hunger, poverty, mortality rate and provide for other peculiar societal needs.
6. Similarly, financial risk must come with rewards; there has to be a strong incentive system for Nigerians to develop scientifically and technologically the ideas that will

ISSN: 2455-3220
Volume 03 Issue 11
October 2017

improve the entire wellbeing of Nigeria as a country.

7. Lastly, for a quick recovery from the present economy recession, Nigerian government must ensure to sustain peace in Niger Delta region of the country in other to boost its oil production and prevent vandalisation of oil pipe-lines and other oil production facilities.

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