

FOSTERING ECONOMIC DEVELOPMENT THROUGH EFFECTIVE POLITICAL IDEOLOGY IN NIGERIA:A CRITICAL EXAMINATION

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Abstract

Not mindful that Nigeria is highly blessed with abundant human and natural resources, her economic development has been hindered by ineffective political ideologies, leading to widespread poverty of about 40.1% in 2022, inequality, instability, inflation of 32.15% in 2023 and high rate of unemployment (which is estimated to be 23% in 2023). The rate of poverty, unemployment and insecurity has been high overtime to the un-comfortability of Nigerians both home and abroad and accusing fingers has always been pointed at the political class. This study examines the nexus between political ideology and economic development in Nigeria, identifying strategic enhancements for improved outcomes. By analyzing the country's historical and contemporary political landscape, this research highlights the need for a balanced, inclusive, and pragmatic ideology. Recommendations include strengthening institutions, promoting economic diversification, enhancing good governance, and fostering social cohesion. This paper contributes to the discourse on political economy, providing actionable policy recommendations for Nigeria's sustainable economic growth.

Keywords: Economic Development, Political Ideology

Introduction

Nigeria, Africa's largest economy, faces numerous economic challenges. Nigerian's economy was shaped by British colonialism, focusing on extractive industries (oil, minerals) and neglecting diversified development. The focus of the colonial government was to get raw materials from Nigeria to develop their nations industrial sector (Ajakaiye and Adedeji, 2018). The shaping of the economy by the colonial is seen to be more of extortion than development. The post – colonial era (1960s – 1980s) in Nigeria experienced rapid growth, but mismanagement, corruption, and dependence on oil exports hindered sustainable development (Iyoha and Oriakhi, 2002). It was within this period that Nigeria experienced Oil boom and the abundance experienced usher in corrupt practices, mismanagement and neglect of the once famous agriculture that was fetching the economy money and useful to the industrial sector. According to Falola and Heaton (2008) the era of oil boom brought about laziness and turned the attention of Nigerians more towards white collars' job therefore, more importation was welcomed to the economy which has metamorphosized to a problem today.

The Structural Adjustment Programs (SAPs) era of 1980s-1990s witnessed IMF/World Bank-imposed reforms which led to privatization, deregulation, and trade liberalization. This reform

was meant to help the economy but it worsened the poverty level and increase inequality among Nigerians.

Political Ideology in Nigeria

Political ideology refers to the set of beliefs, values, and principles that shape the country's governance, policies, and decision-making processes. Political ideology is a certain set of ethical ideals, principles, doctrines, myths or symbols of a social movement, institution, class or large group that explains how society should work and offers some political and cultural blueprint for a certain social order (Klarin, 2020). It encompasses various perspectives on: Economy (capitalist, socialist, or mixed), Governance (democratic, authoritarian, or hybrid), Social issues (conservative, progressive, or liberal), National identity (nationalist, regionalist, or ethnic) and International relations (globalist, isolationist, or pan-Africanist). Ideology can be used either to initiate change in the society or to encourage continued adherence to a set of ideals in a situation where conformity already exists.

Nigeria's political ideology has been influenced by various factors such as Colonial legacy, Post-colonial nationalism, Military rule, Democratic transitions, Ethnic and regional diversity, Religious and cultural values, Globalization and international relations.

Key political ideologies in Nigeria as identified by Klarin, (2020) includes:

1. Nationalism: emphasis on Nigerian unity and self-determination
2. Social Democracy: mixed economy, social welfare, and democratic governance
3. Liberalism: free market economy, individual freedoms, and human rights
4. Conservatism: traditional values, social order, and limited government intervention
5. Progressivism: social justice, equality, and human development

These ideologies are not mutually exclusive, and Nigerian politics often blends elements from multiple ideologies.

Akinbobola, (2019) identified some notable Nigerian political thinkers and their ideologies includes:

1. Nnamdi Azikiwe (Nationalism)
2. Obafemi Awolowo (Social Democracy)
3. Ahmadu Bello (Conservatism)
4. Olusegun Obasanjo (Progressivism)
5. Muhammadu Buhari (Nationalism)

Economic Development in Nigeria

Economic growth is a significant contributor and necessary component of economic development. Economic development is the creation of enabling conditions that promote and stimulate rapid and substantial increase in the basic material well-being of the majority (Oyekola, 2015). This is achievable by the implementation of political leadership policies to promote economic growth through land reforms, capital intensive industrialization, educational stimulus and effective public health system. Economic development must be measured through such areas as the reduction in the opportunities for malnutrition, the considerable reduction in high infant mortality rates, the availability of potable water, the availability and access to quality educational material, the growth of public health, greater opportunities for employment, the gradual socio-economic level generated by the majority of the people whereby an average

level of society is established, the reduction in the level of high inflation and unemployment, indices of per-capita income, and through the efficient allocation of resources in regulating the type of social relationships.

The term “economic development” according to Ogunleye and Adeleye (2018) can be viewed from the perspective of a false dichotomy in the development process. The dichotomy resulted due to the identifying of economic development with the advancement of the “center” (the more developed and industrialized countries, usually capitalist, on the one hand) and the possibilities of the “periphery” (viz the less developed, under-developed, undeveloped or developing countries, often countries of Asia, Africa and Latin America, on the other. What the political economist referred to frequently as “economic growth” – a sustained increase in the output of goods and services of a country, usually measured at one sector of the economy most times through the increase of the Gross National product (as one of the forms of indicators of economic development) is often confused with economic development itself.

Historically, Nigeria’s economic development has evolved significantly, shaped by its rich endowment of natural resources, governmental policies, and its interactions within the global economy. Nigeria’s oil and gas sector accounts for about 90% of export earnings and more than 50% of government revenue (Central Bank of Nigeria, 2022). This over-dependence on oil and gas has made the country’s economy highly susceptible to global oil price fluctuations. Efforts have been intensified in recent times, to diversify the economy through the development of the agricultural sector, which accounts for about 70% of the labour force and about 24% of the country’s GDP (National Bureau of Statistics, 2022).

The Manufacturing sector, though still nascent, holds great promise, in terms of its contributions to the nation’s GDP. This is the clear focus of the Nigeria Industrial Revolution Plan (NIRP), designed to support the manufacturing sector to become globally competitive by increasing the sector’s manufacturing base (Federal Ministry of Industry, Trade and Investment, 2022). The services sector has recorded the fastest growth in Nigeria, with telecommunications driving the expansion of mobile telephony and internet penetration. The financial services industry has been revolutionized, enhancing financial inclusion (PwC, 2023). Despite such progress, especially in the services sector, Nigeria’s economic development is still hampered by challenges of corruption, insecurity, political instability, and unacceptable unemployment rate, especially among the country’s youth population. Poverty is also widespread, as a significant portion of the country’s human population continues to live below the poverty line. Nigeria’s political leaders are today, also strained by contemporary socio-economic and geopolitical problems.

Some of the current challenges that are being experienced in the Nigeria economy that hinders economic development according to Ibrahim (2020) ranges from:

1. **Over Dependence on Oil Exports:** about 90% of Nigeria export earnings come from oil, making Nigeria vulnerable to global price fluctuations.
2. **Corruption:** Widespread graft, embezzlement, and mismanagement both at the Federal, State and Local level stifle economic growth.
3. **Insecurity:** Boko Haram insurgency, banditry, and kidnappings discourage investment and hinder economic activity.
4. **Infrastructure Deficits:** Inadequate power supply, roads, and transportation networks hinder business operations.

5. **Unemployment and Poverty:** 23% unemployment rate (2022 est.) and 87 million Nigerians living in poverty.
6. **Inflation:** High inflation rates (12.8% in 2022) erode purchasing power and reduce savings.
7. **Foreign Exchange Volatility:** Naira fluctuations affect import costs, inflation, and business planning.
8. **Limited Diversification:** Over-reliance on oil and neglect of other sectors (agriculture, manufacturing, services).
9. **Brain Drain:** Skilled professionals emigrate due to poor economic conditions and lack of opportunities.

The impact of political ideology on economic development in Nigeria.

The impact of political ideology on economic development in Nigeria is a complex and multifaceted issue. At its core, political ideology shapes the interactions between economic policies and their social and political context. In Nigeria, various political ideologies have influenced economic development, with some promoting growth and others hindering it. Indigenization, privatization and cashless policy are good examples.

Some of the key challenges of political ideologies on economic development as identified by Onyishi, (2018) are:

- **Ideological Contradictions:** Nigeria's political landscape is marked by contradictions between socialist and capitalist ideologies, posing challenges to economic development.
- **Lack of Institutional Frameworks:** Inadequate institutional frameworks have hindered the effective implementation of economic policies.
- **External Influences:** International policy advisors and global economic trends have significantly influenced Nigeria's economic development, sometimes conflicting with domestic ideologies.

Positive Impacts of Political Ideology in Nigeria:

Some of the positive impacts of political ideology on economic development experienced in Nigeria as opined by Kalejaiye and Alliyu (2013) ranges from Economic growth, Social welfare and National unity.

- i. **Economic Growth:** Some political ideologies, such as socialism, have driven economic growth in Nigeria by emphasizing state-led development and investment in key sectors. The government is made to see overall development of the nation, states and local government as a collective responsibility. Resources are gathered together and shared for overall development of the entire economy.
- ii. **Social Welfare:** Political ideologies like social democracy have improved social welfare by prioritizing education, healthcare, and poverty reduction. Illiteracy, poor healthcare delivery and poverty are collectively seen as hindrances to national economic growth and development and enemies to social welfare, hence the battle is been fought by all tiers of government with the Federal government taking the lead. All politicians aspiring for various political offices in their electioneering campaign do promise to make policies that will enhance improved education, proper healthcare delivery and poverty reduction or eradication a priority if elected to power. Definitely, these are the request of the citizen and the priority of any serious government.
- iii. **National Unity:** Nationalist ideologies have promoted national unity and stability,

essential for economic development. The National Anthem, the National Flag, the Coat of Arm, our National Teams (Football and others) etc are symbols of our national unity and bound. All these are born out of political ideology of Nigerians and uniting us.

- iv. **International Cooperation:** Ideologies promoting global engagement can enhance trade, diplomacy, and international relations. Overtime, the government and political leaders have come up with policies or embrace ideas that promotes the nations cooperation with other nations of the world and paving ways for the gains that comes with it. International cooperation has brought about International trade, ECOWAS, IEO etc.

Negative Impacts of Political Ideology in Nigeria:

Just as we have positive implications of political ideology on economic development so we have the negative impacts too which Ross (2015) mentioned to includes Corruption, Inequality and Insecurity.

- i. **Corruption:** Political ideologies that prioritize individual interests over collective well-being have led to widespread corruption, undermining economic development. Most politicians and people occupying political offices poses the ideology that public offices are meant for self-enrichment, personal and family gain instead of service to the masses and humanity. It is unfortunate that majority of those who blames the corrupt officers are not better than them in idea and plan only that they are yet to have the opportunity. Corruption has been the worst of the negative impact of political ideology that we have at present.
- ii. **Inequality:** Certain ideologies have exacerbated income inequality, hindering economic growth and social cohesion. The political ideology in Nigeria has led to the elimination of the middle class in the country. You either belong to the upper class or the lower class, the middle class seize to exist. The margin between the rich and the poor is wide and same is applicable to the social class.
- iii. **Insecurity:** Ideologies that prioritize short-term gains over long-term stability have contributed to insecurity, discouraging investment and hindering economic development. The rate of kidnapping and insurgency is so high that it is difficult to do businesses and farmers too are finding it difficult to farm. Some hold on to the ideology that the nation should be made ungovernable once they are not in power while some believe that they can only strive amidst insecurity and unrest.
- iv. **Unemployment:** Ideologies that does not care about investment in human capital and infrastructure has led to high unemployment. Among such is poor ideas about industrialization, agriculture and human capital development.

Long-term Consequences of Political Ideology:

Some of the long-term consequences of poor or bad political ideology identified by Ogunleye and Adeleye (2018) are: Brain drain, reduced competitiveness, environmental degradation and social injustice.

- i. **Brain Drain:** Talented individuals may emigrate due to unfavorable economic conditions. When the economic situation of a nation is not favourable and the effects of bad ideology is been felt over time such as insecurity and banditry, many nationals will be leaving such an economy and the talented individuals will have a better chance of relocation. A good example is the “Japa Syndrome” in Nigeria.
- ii. **Reduced Competitiveness:** Inefficient economic policies can reduce global

competitiveness especially where there is favourism of a group or a set of individuals. It may be in term of tax pardon or issue of issuance of license which gives such people or groups edge over others.

- iii. **Environmental Degradation:** Ideologies neglecting environmental concerns can lead to degradation and resource depletion. When trees are cut indiscriminately, carbon are released into the atmosphere through burning and other activities, refuse are dumped without caution etc. depletes and degrades the environment.
- iv. **Social Injustice:** Ideologies prioritizing individual interests can perpetuate social injustice. Where the rich are better citizen than the poor, where the law is meant for a category of some people while some are above the law, where good education becomes a heritage of some while others sees sound education as a mirage. These and others happen where there are poor ideologies.

Conclusion

This critical examination of the relationship between political ideology and economic development in Nigeria highlights the imperative of adopting an inclusive and pragmatic ideology to drive sustainable growth. The analysis reveals that Nigeria's economic challenges are deeply rooted in its political landscape, characterized by patronage politics, corruption, and inefficiency.

The study demonstrates that effective political ideology can foster economic development by promoting economic diversification and competitiveness, encouraging good governance and institutional strengthening, addressing social inequality and poverty and enhancing regional cooperation and international relations.

To achieve sustainable economic development, Nigeria must transition from a patronage-based system to a knowledge-driven, inclusive, and participatory ideology. This requires strengthening democratic institutions and the rule of law, investing in human capital and infrastructure development, encouraging entrepreneurship and innovation and fostering regional cooperation and international partnerships.

Ultimately, Nigeria's economic future depends on its ability to adopt a forward-thinking, people-centered political ideology that prioritizes collective well-being over individual interests.

Recommendations

Nigeria's economic future hinges on its ability to adopt an effective political ideology that prioritizes sustainable growth, social justice, and national unity. This study contributes to the ongoing discourse on Nigeria's economic development, emphasizing the urgent need for a paradigm shift in its political ideology.

Therefore, to foster economic development, it is recommended that:

1. Nigeria must transition towards a knowledge-driven economy, leveraging education and innovation.
2. Nigeria must transition towards a participatory democracy, ensuring inclusive decision-making.
3. Nigeria must transition towards a corruption-free governance, promoting transparency and

accountability.

4. Policy continuity and long-term planning should be encouraged
5. The government should foster public-private partnerships for infrastructure development.
6. Effective anti-corruption measures should be Implemented.

Together, we can unlock Nigeria's potential for sustainable economic growth and development.

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