Nigeria: Key Ingredients to Economic Success

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Introduction

Goodluck Jonathan who was the then president of Nigeria used the 2014 May Day celebrations to reject World Bank's ranking of Nigeria as one of the five poorest countries in the world. Jonathan, noted as follows:

> Nigeria is not a poor country. Nigerians are the most travelled people. There is no country you go that you will not see Nigerians. The GDP of Nigeria is over half a trillion dollars and the economy is growing at close to 7 percent. Aliko Dangote was recently classified among the 25 richest people in the world. I visited Kenya recently on a state visit and there was a program for Nigerian and Kenyan businessmen to interact and the number of private jets that landed in Nairobi that day was the subject of discussion in Kenyan media for over a week. If you talk about ownership of private jets, Nigeria will be among the first 10 countries, yet they are saying that Nigeria is among the five poorest countries. Some of you would have observed that there is an amount of money you will give to a Nigerian who needs help and he will not even regard it and thank you. But if you travel to other countries and give the same amount, the person will celebrate.[1]

Reacting to Jonathan's statement that Nigeria was not a poor country, a ThisDay newspaper reader said, "There he goes again. Our one and only Dumbo Dumbo! Yes, Nigeria is not a poor country. It is a rich country full of poor people."[2] This reader was not alone. Jonathan was pilloried by many Nigerians for his insensitivity and banality in equating the rising number of private airplane ownership with how well the economy was doing. Although Jonathan is a very poor public speaker with a penchant for inanities and convoluted and baffling phraseology, on this occasion, he was at his best eloquence in articulating how to judge the successes of the Nigerian economy: the number of Nigerians who travel outside the country, the size of Nigeria's GDP and its growth rate, the ranking of a

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[1] See Linda Eroke and Damilola Oyedele, "Jonathan: Nigeria is Not Poor," ThisDay, May 2, 2014.

[2] Ibid.

Nigerian, Dangote, as one of the richest twenty-five people in the world, the amount of money it takes to satisfy a Nigerian in need, and the number of private jets owned by Nigerians. Jonathan was not alone. Many members of the Nigerian upper class would utilize such statistics to measure the health of the Nigerian economy.

But can one meaningfully use Jonathan's criteria to evaluate how well the Nigerian economy is doing? Are there alternative robust criteria and metrics for judging the efficacy of the Nigerian economy? Do indicators exist that can be used to offer a more comprehensive, complete and accurate picture of how Nigerians and their economy are faring? Are the absolute size of the economy and its growth rate, measured by the Gross Domestic Product and the GDP per capita, adequate parameters for determining the success of the national economy? Is an investment in the development of the human capacity of Nigerians an effective measurement of the successes of the Nigerian economy? This paper shall argue that to evaluate the true or real successes or lack thereof of the Nigerian economy, one must go beyond Jonathan's facile criteria and equally discount the size and growth rate of the economy as these metrics do not paint a realistic picture of the economy or how well Nigerians are doing economically. I shall contend that a proper assessment of the Nigerian economy can only be made on the basis of how the economy shapes the well-being or quality of lives of Nigerians. At the heart of this paper is the contention that how well the economy contributes to improvements in the quality of lives of Nigerians must be the proper yardstick for measuring the country's economic success. The paper shall argue that the provision of basic infrastructure such as clean and safe drinking water, efficient and effective transportation system, reliable electricity supply, access to quality healthcare and education and a drastic reduction of poverty and unemployment constitute a better matrix for judging the success of the Nigerian economy.

The rest of this paper is divided into four segments. Segment one sets out the case why the prevailing method of judging economic success which centers on the size and growth rate of the Gross Domestic Product (GDP) is not an accurate or realistic method for determining how well an economy is doing. In segment two, the paper sketches out an alternative method of assessing economic successes. Segment three identifies and explains six keys to achieving economic success. The fourth and final segment explicates several factors that must be avoided in the quest to attaining economic success.

Measuring Economic Success: GDP, Growth and GDP Per Capita

Economists have devised various measurements for evaluating economic progress or the economic health of any country.[3] Among these are the Gross Domestic Product (GDP), GDP per capita, Consumer Confidence Survey, Consumer Price Index (CPI), inflation rate, and unemployment rate. For most economists, striving for the economy's maximum output is a worthy goal and they therefore tend to see economic success largely in terms of growth rates. The GDP measures the market value of all goods and services produced in the domestic economy within a specific period (generally within a quarter or on an annual basis). It serves as a rough measure of a country's wealth on an aggregate basis and a yardstick for evaluating the economy's performance. It is often used as a proxy for estimating how fast profits will grow and it allows investors to project expected returns on investments. All over the world, there is an undue fascination and fixation with the GDP as an indicator of economic success. The fixation arises

[3] See John Mullin, Zenita Kotval and Edward Murray, "Benchmarking: Measurable Indicators of Economic Success," Economic Development Journal, Spring, 2002, pp. 42-52.

from the presumption that the bigger the GDP, the better the economy is performing. It is also seductive as it lends itself to cross-country camparisons.

Although the GDP is used to measure how well the economy is doing, it is a grossly misleading figure. For one thing, it is not a good measure of how well the citizens themselves are doing. For instance, unemployment rate may rise even as the GDP grows at a phenomenal rate. This mismatch between high unemployment in the face of rapid growth in the GDP is a serious indictment of the GDP as an indicator of economic success.[4] Second, economic growth may occur at the expense of huge environmental degradation and other externalities that are not taken into consideration in computing the GDP. Third, rapid economic growth today may be achieved at the expense of future economic viability. Using the GDP as a vital sign of economic viability is also problematical as economic growth itself may not reflect the reality of everyday lived experiences of most citizens. In other words, the GDP may be growing but citizens are facing harsh economic conditions. The GDP is misleading since it can depict a rosy picture of the economy while the people themselves who should be the beneficiaries of economic growth are being choked by poverty and degradation of their quality of lives. In other words, the GDP can paint an economy that is growing and doing very well but the people are doing very poorly. It should also be noted that certain expenditures designed to boost the GDP may be wasteful and destructive.[5] As a Nobel Prize winner in economics, Joseph Stiglitz, has pointed out:

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[4] Erwin de Leon and Elizabeth T. Boris, The State of Society: Measuring Economic Success and Human Well-Being (Washington, DC., Urban Institute, 2010).

[5] For excellent criticisms of the GDP as a wrong tool for assessing economic success, see Joseph Stiglitz, Amartya Sen and Jean-Paul Fitoussi, Mis-Measuring Our Lives: Why GDP Doesn't Add Up. Also see Charles Kenny, Getting Better: Why Global Development Is Succeeding and How We Can Improve the World Even More

> The big question concerns whether GDP provides a good measure of living standards. In many cases, GDP statistics seem to suggest that the economy is doing far better than most citizens' own perceptions. Moreover, the focus on GDP creates conflicts: political leaders are told to maximize it, but citizens also demand that attention be paid to enhancing security, reducing air, water, and noise pollution, and so forth—all of which might lower GDP growth.[6]

Riane Eisler has drawn attention to another serious limitation of the GDP as a measure of economic success.[7] According to Eisler, the GDP fails to account for all economic activities such as those outside the realm of monetary exchange. Eisler notes that the value of unpaid care provided by family members to the elderly, the disabled and children is not factored into the computation of the GDP. Such activities, although assigned no monetary transaction, can positively influence the quality of lives of citizens.

Despite many valid criticisms that the GDP is not a true measure of economic viability, many economists continue to rely on it in assessing the performance of African economies. For instance, the American National Bureau of Economic Research's *African Successes Project* places heavy emphasis on GDP in its evaluation of economic successes in Africa. It has highlighted a 75 percent rise in Sierra Leone's GDP per capita between 2000 and 2010, a 1.5 percent average annual growth in South Africa's GDP per capita, and a 64 percent increase in Tanzania's GDP per capita between 1990 and 2008 as major success stories.[8] Similarly, The Economist has harped on rapid economic growth in Africa in its re-

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[6] Joseph Stiglitz, "GDP Fetishism," Economist's Voice, September 2009.

[7] Riane Eisler, "Protecting the Majority of Humanity: Toward an Integrated Approach to Crimes against Present and Future Generations," in Sebastien Jodoin, Marie-Claire Cordonier Segger and Maja Gopel (eds.), Securing the Rights of Future Generations: Sustainable Development and the International Criminal Law Regime in Practice(Cambridge: Cambridge University Press, 2011).

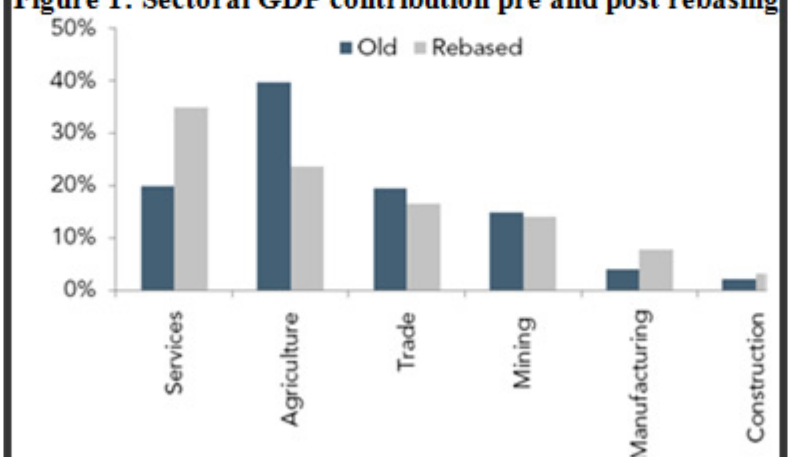
[8] National Bureau of Economic Research, African Successes, Cambridge, Massachusetts, nd.

assessment of the continent. In 2001, the magazine dubbed Africa, “the hopeless continent” but in its overview of the performance of African economies in 2011, it paints a rosy picture noting that:

> From Ghana in the west to Mozambique in the south, Africa’s economies are consistently growing faster than those of almost any other region of the world. At least a dozen have expanded by more than 6% a year for six or more years. Ethiopia will grow by 7.5 % this year, without a drop of oil to export. Once a byword for famine, it is now the world’s tenth-largest producer of livestock. Nor its wealth monopolized by a well-connected clique. Embezzlement is still common but income distribution has improved in the past decade…Several big countries are likely to hit growth rates of 10%.[9]

In 2014, Nigeria re-based its GDP from a base year of 1990 to a base year of 2000. Rebasing witnessed a dramatic change in the country’s GDP. It shot up by 89 percent from 42.4 trillion Naira ($269.5 billion) to 80.2 trillion Naira ($509.9 billion). GDP per capita rose from $1,555 to $2,688. With the rebasing of the GDP, Nigeria overtook South Africa as the largest economy in Africa and it improved its global standing from the thirty-third to the twenty-sixth largest economy in the world.

Figure 1: Sectoral GDP contribution pre and post rebasing



Source: NBS, ARM Research

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[9] See The Economist, “The Sun Shines Bright,” http://www.economist.com/node/21541008.

Figure 2: GDP for Selected African Countries

Table 3: Nigeria's GDP Per Capita (in constant US Dollars)

2007	$847.54
2008	$881.59
2009	$911.96
2010	$949.01
2011	$995.68
2012	$1013.55
2013	$1052.18
2014	$1097.97

Source: WWW.TradingEconomics.com

The rebasing of the GDP has been applauded by some economists, who contended that it would boost international confidence in the Nigerian economy and lead to greater foreign investments. The long quotation below from an article by Michael Egbosiuba is typical of the effusive praise heaped on the National Bureau of Statistics for undertaking this exercise. As Egbosiuba has noted:

> This is a very positive development for Nigeria not because it will change life of average Nigerian in the short run. The practical impact of this action is the elevation of the status of Nigeria in terms of the economic size but did not necessary show that average Nigeria prospered the day before or after this announcement. However, it is always better to use more accurate data to ascertain the true picture of any country's overall economic health. Proper diagnosis of any country's economic health will help government officials concentrate on areas that need improvement. Nigeria economy has been growing at an average yearly rate of 7 percent. Healthy growth rate is critical for Nigeria in-order to keep up with the high population growth. Again, it should be noted that rebasing of nominal GDP does not automatically mean that Nigerians are enjoying higher standard of living. GDP or income per capita is a better measure of any country's living standard. China is the

> second largest economy in the world after United States, but that does not mean that Chinese are more prosperous than Japanese or western European countries. South Africa still has a higher standard of living with GDP per capita of $7,689 compared to Nigeria's $2,689.[10]

Christie Viljoen, a senior economist with the NKC Independent Economists, saw several benefits in Nigeria's rebasing exercise, noting that "the most important benefit of the rebasing exercise is that it provides a more accurate estimate of the structure and value of goods produced in Nigeria. The fact that many industries are larger than previously thought may pique investors' interest, while the psychological boost of overtaking South Africa could give the country more influence on the world stage.[11] The Economist has analyzed the rebasing of Nigeria's GDP and while it supported the move, it noted that:

> Nigerians are no richer than they were before the GDP figures were revised. The majority of its 170m-plus people live on less than $1.25 a day. Even so the new figures show that Nigeria is much more than just an oil enclave. The weight of the oil and gas industry, at 14% of GDP, is less than half what was previously thought. There are more factories. Service industries are booming. Nigeria now looks like an economy to take seriously.

While the Jonathan Administration was elated with the new figures and touted them as evidence of its economic success, many Nigerians were quite skeptical of the rebasing exercise. In the first place, the rebasing exercise demonstrates the pitfalls of using GDP to measure economic success. The quantum leap in the size of Nigeria's GDP has had no material impacts on the lives of Nigerians. Despite the robust growth of 7 percent in the GDP, the level of poverty

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[10] Michael Egbosiuba, "Rebasing of Nigeria GDP," http://www.allthingsnigeria.com/2014/rebasing-of-nigeria-gross-domestic-product

[11] Christie Viljoen, "A Closer Look at Nigeria's GDP Rebasing," http://www.cnbcafrica.com/news/western-africa/2014/04/11/a-closer-look-at-nigerias-gdp-rebasing/

has continued to increase. It may seem that the more the Nigerian economy grows, the higher the number of Nigerians who become poor. In 2004, the proportion of Nigerians living in absolute poverty was 54.7 percent. By 2010, that figure had jumped to 60.9 percent. The table below shows the actual number of Nigerians living in poverty. In a 2010 national survey conducted by the National Bureau of Statistics, 93.9 percent of the respondents considered themselves to be poor. Yemi Kale, Nigeria's Statistician-General, has admitted that "despite the fact that the Nigerian economy is growing, the proportion of Nigerians living in poverty in increasing every year, although it declined between 1985 and 1992, and between 1996 and 2004."[12]

Poverty. Org's study aptly titled, Poverty in Nigeria: Rich Country, Poor People, has captured the essential paradox of the Nigerian economy by noting that in 1980, a "little less than 30% of Nigerians were living below the poverty line," but today well over 50% are living in poverty even as the economy, measured in GDP, continues to grow.[13] As it pointed out, "in fact it seems there has been no real change in Nigerians' living standards, while living standards worldwide have been increasing." Second, economic growth by itself does not lift people out of poverty or affect their quality of lives. It is quite common to see two countries with similar GDP or GDP per capita but whose citizens have divergent qualities of lives. It is even quite probable a country with a low GDP per capita may have a higher quality of life than another country with a higher GDP per capita. Third,

[12] Quoted in BBC, "Nigerians Living in Poverty Rise to Nearly 61%," http://www.bbc.com/news/world-africa-17015873

[13] See Poverty in Nigeria: Rich Country, Poor People, http://www.poverty.org/poverty-in-nigeria.html. For another scholarly analysis of poverty in Nigeria, see Chimobi Ucha, "Poverty in Nigeria: Some Dimensions and Contributing Factors," Global Majority E-Journal, Vol. 1, No. 1 (June 2010), pp. 46-56.

Nigeria’s high GDP in the face of massive unemployment, hunger, collapsed and deteriorating infrastructure, and poor educational and health systems, seems suspect. For many Nigerians, it would seem like a cruel joke to tell them that the Nigerian economy has leap-frogged the South African economy but yet South Africans live much better than Nigerians. With the rebasing, South Africa’s economy fell from Africa’s largest to second largest, its GDP per capita is $7,336, which is far higher than Nigeria’s.

It seemed hollow and a cruel insult to tell Nigerians that their economy was growing very rapidly when the reality on the ground includes rising unemployment, poverty and general despondency. The continued deterioration in the production of electricity has grounded many industries and leaves most Nigerians in groping in utter darkness. Hospitals and other health facilities are in shambles and Nigerians who can afford it, fly out of the country in droves to seek medical treatment in India, Europe and the United States. Similarly, public education at all levels is in shambles even as the economy was registering phenomenal growths. Currently, no Nigerian university is ranked among the best two hundred universities in the world. Fourth, an increase in the sheer size of the economy, measured in the gross domestic product or a rapid economic growth in general, should be viewed as means to an end and not ends in themselves. The purpose of economic growth should be geared to improving the living conditions of Nigerians and the country’s economic success ought not to be measured in abstract growth statistics but in living wages, access to quality healthcare, education, and security of lives and property.

Table: Nigeria’s Population Living in Poverty (Millions)

1980	17.1
1985	34.7
1992	39.2
1996	67.1
2004	68.7
2010	112.47

Source: National Bureau of Statistics, 2012.

Table 2: Top Eight Countries with Largest Share of the Global Extreme Poor (2010) in Percentages

India	33
China	13
Nigeria	7
Bangladesh	6
Democratic Republic of Congo	5
Indonesia	4
Pakistan	3
Tanzania	3

Source: World Bank: Prosperity for All: Ending Extreme Poverty, 2014, p. 4.

Although President Jonathan and other top government officials such as Ngozi Okonjo-Iweala, the then minister of finance, were gloating over the revised GDP figures, distrust over the new figures was quite widespread. The distrust was fuelled by the gross disparity between the glowing growth figures and the bleak economic lives of most Nigerians. Two readers of the daily newspaper, ThisDay, graphically captured the sour mood of many Nigerians over the new GDP figures. Anakobe angrily asked:

> .and.....so.....therefore......???........infrastructure is still s_ _ t. People are hungrier than they ever were, life is more miserable than it ever was, people's liberty, freedom and rights have never been more constrained, restricted and denied. Who cares about rebasing GDP or a high debt to GDP ratio? That are means to an end, all those indicators, not end in themselves. I'd rather have a high debt to GDP ratio where the related debt had been incurred to build our infrastructure, than a low one that saves interest payments for the government to waste and plunder.
> As the various government functionaries bask in their so-called achievement, we the people will only commend them when we see real and tangible benefits, not meaningless statistics. Until there is all-inclusive growth across the spectrum of society - north, south, east and west, there will neither be peace nor security. It is science. Simple social science.

Another ThisDay reader, Obinna noted that the rebasing represented:

> Truly movement from reality to vanity. The so called GDP growth above South Africa is for government officials and not for ordinary man on d street. Why is this so called GDP rebasing not announced together with per capital income which is below 1 dollar a day for 95% of Nigerians compared to South Africa that is about 20 dollar a day. These govt. officials that have lost touch with reality should not continue to annoy us with these jaundiced statistics that help to massage their ego and looting of our resources.

Beyond GDP, Growth and GDP Per Capita

As noted above, GDP, GDP growth rate and GDP per capita are poor tools for measuring a country's economic success. A true measure of an economy's success should center on the material well-being of the citizens and the development of their human capacities to live with human dignity. The United Nations Development Program (UNDP) has developed an alternative method of assessing economic success. Known as the Human Development Index HDI), it emphasizes "that people and their capabilities should be the ultimate criteria for assessing the development of a country, not economic growth alone. The HDI can also be used to question national policy choices, asking how two countries with the same level of GNI per capita can end up with different human development outcomes."[14] HDI is a summary measure of average achievement in three key dimensions of human development: "a long and healthy life, being knowledgeable and have a decent standard of living. The HDI is the geometric mean of normalized indices for each of the three dimensions." Its health dimension is assessed by life expectancy at birth, education is measured by mean of years of schooling for adults aged 25 years and expected years of schooling for children of school entering age and the standard of living is measured by gross national income per capita. As the UNDP has noted, "the goalpost for minimum income is $100 (PPP) and the maximum is $75,000 (PPP). The minimum value for GNI per capita, set at $100, is justified by the considerable amount of unmeasured subsistence and nonmarket production in economies close to the minimum that is not captured in the official data. The HDI uses the logarithm of income, to reflect the diminishing importance of income with increasing GNI. The scores for the three HDI

[14] United Nations Development Program (UNDP), Human Development Report 2014: Sustaining Human Progress: Reducing Vulnerabilities and Building Resilience

dimension indices are then aggregated into a composite index using geometric mean."[15]

Nigeria does not fare well on UNDP's Human Development Index. In the 2014 Human Development Report, Nigeria is in the Low Human Development category with a ranking of 152. Its HDI is only 0.504. Life expectancy in the country is 52.5 years and the mean years of schooling is only 5.2 years. Nigeria's Gross National Income per capita was only $5,353. Nigeria's low ranking in terms of the quality of life differs markedly from its high rate of annual GDP growth rate casting further doubts on GDP as a valid measure of economic success. Nigeria's low HDI ranking is closer to the reality of the poor quality of the standard of living in the country.

HDI is definitely a qualitative improvement over GDP as a criterion for determining economic success since it places emphasis on citizens' well-being and their human capacities as opposed to economic growth alone. However, even the HDI is not a sufficient indicator of economic success. It does not factor in economic inequality, gender disparity, human security, level of poverty, and environmental security and sustainability in its index.

A true measure of economic success must include several factors: the number of people lifted out of poverty, employment, equitable distribution of resources, education, healthcare, development of infrastructure, environmental security, and human security from crimes and violence.

There is yet another alternative to GDP as a measure of economic success. It is called Genuine Progress Indicator (GPI) and it derived from the frustration inherent in GDP as a true measure of economic well-being. Unlike the GDP, it

[15] UNDP, ibid.

takes the environmental and other costs of economic growth into account in computing the progress indicator. GPI uses a twenty-six item metrics to evaluate the quality of life for each country. As *Genuine Progress,* the organization responsible for developing this index puts it:

> What if we defined success not by the money we spent and the goods we consumed but by the quality of life we create not only for ourselves but for everyone with whom we share the planet? What if we added up the positives of economic growth and subtracted from them the clear negatives, so we had a better picture of whether we were headed in the right direction? The Genuine Progress Indicator (GPI) does exactly that. With 26 indicators, the GPI consolidates critical economic, environmental and social factors into a single framework in order to give a more accurate picture of the progress – and the setbacks – we have made. From the costs of crime, pollution, commuting and inequality to the value of education, volunteer work, leisure time and infrastructure, the GPI helps us understand the true impacts of our policies and will lead us on the path toward a genuinely sustainable economy.[16]

Keys to Economic Success

If economic success is measured by human well-being and the development of their skills and capacities, there are several keys to attaining economic success. First, successful economies recognize and capitalize on their innate advantages. Such advantages may include geographical locations, availability of natural resources, population size, and the development of human skills. Massive investments in education at the primary, secondary and tertiary levels are essential to attaining economic success. Good governance, including the existence of visionary, incorruptible and capable leadership, is also an imperative to attaining economic success. Other aspects of good governance that are positively correlated

[16] Genuine Progress: Moving Beyond GDP, Genuine Progress Indicator, http://genuineprogress.net/genuine-progress-indicator

to economic success include careful planning, fiscal discipline, accountability and transparency, and openness and tolerance. A perquisite for economic success are massive investments in the development of infrastructure: transportation, electricity, communications, water resources, and health systems. Economic success cannot be attained in the absence of vigorous state participation in the economy. The massive investments in education and the development of infrastructure which are pre-conditions for economic success demand direct, purposeful and active state participation. Strong state presence in the economy also ensures equitable distribution of the fruits of economic growth. Economically successful countries have one or a combination of these factors.

Several examples abound to illustrate how recognizing and capitalizing on innate advantages can lead to economic successes. Japan, by all measures, is economically very successful although it lacks most natural resources. Japan attained its economic success through the development of the skills and talents of the Japanese people. Botswana is generally regarded as an African economic success. As Michael Lewin has noted

> Over the past 60 years, Botswana's economy has been one of the most successful in the world. The country's achievement is remarkable, because at independence, in 1966, its prospects were not encouraging…At independence, life expectancy at birth was 37 years. By 1990 it was 60, 10 years above the African average. Under-five mortality had fallen to about 45 per 1,000 live births in 1990, compared with 180 for Africa as a whole…there have been gains in poverty reduction and education. The proportion of poor people fell from about 50 percent in 1985 to 33 percent in 1994, and the proportion of people completing at least primary school rose from less than 2 percent at independence to about 35 percent in 1994[17]

[17] Michael Lewin, "Botswana's Success: Good Governance, Good Policies, and Good Luck," in Punam Chuhan-Pole and Manka Angwafo (eds.), Yes, Africa Can: Success Stories from a Dynamic Continent, Washington, DC, The World Bank, 2011, p. 81.

Botswana made judicious use of its diamonds to dramatically improve the living standards and quality of lives of its citizens. Unlike most African countries that frittered away their natural resources through corruption and unsustainable expenditures, Botswana has utilized proceeds from its diamonds and agricultural resources to develop its infrastructure, educate its citizens and provide quality healthcare.

China has attained a quantum leap in both economic growth and the quality of lives of its citizens largely through the development of the skills and capacities of its large population. Similarly, India's spectacular economic success has largely been due to its development of skilled labor in information technology, telecommunications and healthcare. Massive investments in education pays off in several ways. They help to develop citizens' skills and capacities and improve their employment opportunities. Skilled labor force attracts investments and job opportunities in manufacturing and other sectors of the economy.

Good governance has been a fundamental factor in the economic success of the United Arab Emirates, Botswana and several other countries. Rapid economic growth per se does not require good governance. In fact, rapid growth can be achieved in the context of repressive and brutal dictatorships as was the case in Latin America and several African countries in the 1970s and 1980s. However, real economic success is difficult to achieve in the absence of transparency, accountability, and openness. Fiscal discipline within the ambit of good governance ensures that resources are not frittered away in ostentatious and ruinous expenditures.

Economic Success: Pitfalls to Avoid

First, it must be recognized that economic success cannot be attained overnight and it does not happen by accident. It requires setting out targets and timetables through careful planning. Second, economic success is not a gift that can be bestowed on one country by another country or foreign investors. Other countries or foreign private firms may contribute one's own economic success but there is not a single instance in which economic success has been attained through foreign benevolence. Similarly, divine intervention does not seem to work well in achieving economic success. Even seemingly divinely-endowed natural resources are not sufficient conditions for economic success. Fourth, it must be borne in mind that economic success may come with a heavy cost to the environment, a particular section of the country, or a particular racial, ethnic, or religious group. The key is to minimize such costs and to try to spread the costs as equitably as possible.

It is impossible to achieve true economic success in the face of monumental corruption that has characterized Nigeria in the last three decades. Billions of dollars of public assets have been pilfered to the overall detriment of the economy and of Nigerians. The election of Muhammadu Buhari as president of Nigeria in March 2015 provides a great opportunity for the country to combat corruption. Buhari is a staunch anti-corruption crusader and has promised that the federal government under his leadership will have no tolerance for corrupt enrichment. Moreover, unlike his predecessor, Jonathan, under whose administration corruption assumed frightening dimensions, Buhari is likely to set personal examples by shunning corruption. Anti-corruption agencies such as the EFCC and the Code of Conduct Tribunal are most likely to vigorously investigate and prosecute corrupt offenders under the Buhari Administration.

Using GDP as a measure of economic success is politically very seductive. It allows political leaders to describe economic conditions in abstract terms and figures that do not bear any resemblance to citizens' lived experiences. GDP is also premised on the infinity of growth. Political leaders equally love the GDP because it allows them to exaggerate their economic performance. We have shown above that the GDP is a poor tool for measuring economic success. In its place, we have emphasized that be assessed on the basis of how economic activities affect citizens quality of life. We have identified several keys to achieving genuine economic progress and have drawn attention to pitfalls to avoid in the quest for economic success.