

Nigeria at 65: A Chronicle of Missed Opportunities and the Quest for Redemption

Oyewole O. Sarumi | Ph.D.

Executive Director and Deputy Provost, ICLED Business School, Lekki, Lagos, and Adjunct Faculty, Prowess University, US.Tel. 234 803 304 1421, Email: leadershipmgtSERVICE@gmail.com

Abstract

Sixty-five years after independence, Nigeria's journey stands as a profound case study in squandered potential and developmental divergence. This paper presents a comprehensive retrospective analysis of Nigeria's political economy, tracing its trajectory from a nation of immense promise in 1960 to its current state of socio-economic stagnation. The analysis centres on the pivotal role of the oil boom, which triggered a severe case of the "Dutch Disease," leading to acute resource dependency, the catastrophic neglect of a once-thriving agricultural sector, and the failure to industrialize. This economic malaise is inextricably linked to protracted political instability, including decades of military rule that eroded democratic institutions, created a culture of impunity, and entrenched a zero-sum political culture where opposition is viewed as a form of enmity.

The paper further argues that endemic corruption and systemic institutional weakness have perpetuated a vicious cycle of underdevelopment, manifested in critical infrastructure deficits, a debilitating power crisis, and a failure to translate a demographic boom into human capital. Consequently, Nigeria has missed crucial windows of opportunity for industrialization and technological leapfrogging, which its peers, such as Malaysia and South Korea, successfully seized.

However, the article concludes not with a narrative of fatalism, but with a blueprint for redemption. It proposes urgent pathways centred on governance and political reform, including adopting principles of agonistic pluralism, aggressive economic diversification, a Marshall Plan for human capital development, and a concerted national effort to build social cohesion and security. The central thesis is that Nigeria's destiny can still be reclaimed through strategic

leadership, institutional integrity, and a collective commitment to learning from the lessons of the past six decades.

Keywords: Nigeria, Dutch Disease, economic diversification, political instability, corruption, institutional decay, human capital development, infrastructure deficit, resource curse, governance.

Introduction

On October 1, 1960, a new giant was born on the world stage. Nigeria, emerging from the cocoon of British colonial rule, stepped into independence with a promise that captivated Africa and the world. It was a nation of staggering potential: a vast and energetic population, abundant agricultural land, and a cultural richness that foretold a vibrant future. With a GDP comparable to that of Malaysia and a per capita income ahead of India, Nigeria was not only poised for success; it was expected to lead the way. The world watched, anticipating the rise of an African economic and political powerhouse.

Sixty-five years later, that promise remains largely unfulfilled. The narrative of Nigeria's post-independence journey is a complex and often painful tapestry woven with threads of hope, ambition, resource wealth, and a series of profound strategic missteps. While nations that were once our peers, such as South Korea, Malaysia, Indonesia, and Brazil, have transformed into industrial powerhouses, technological hubs, and respected middle-income democracies, Nigeria grapples with the paradox of poverty in the midst of abundance. The country, rich in oil and human capital, contends with infrastructural decay, systemic corruption, deep-seated insecurity, and a political culture that often treats governance as a spoils system rather than a sacred trust. This article is a 65-year introspection. It is an unflinching analysis of the economic, political, and developmental divergences that have defined Nigeria's journey, interrogating the root causes of its stagnation and exploring the arduous but necessary pathways to redemption.

The Promising Dawn: Nigeria and Its Peers at the Starting Line

In 1960, Nigeria's economic foundations were solidly agrarian. Agriculture accounted for over 60% of the GDP and nearly 90% of export earnings. The country was a global leader in the export of cocoa, groundnuts, palm oil, and rubber. Its regions thrived on these commodities, fostering a sense of competitive federalism. The discovery of oil in commercial quantities in Oloibiri in 1956 was seen as a bonus, a catalyst that would supercharge the nation's development.

At this historical juncture, Nigeria's position was enviable when compared to several nations that would become the celebrated "Asian Tigers" or other emerging economies. South Korea was a war-ravaged, impoverished nation with a per capita income lower than that of Ghana. Malaysia was a fellow agrarian economy, dependent on tin and rubber. Indonesia was emerging from a tumultuous period of its own, and Brazil was battling high inflation. India, with its massive population, was only beginning its planned economic development. Nigeria, therefore, stood on an equal, if not superior, footing. The world had every reason to believe that this newly independent nation would harness its immense potential to become a beacon of progress in the developing world.

The Curse of Black Gold: Oil, Dutch Disease, and Economic Monoculture

The first and perhaps most consequential misstep was the mismanagement of the oil boom of the 1970s. As petrodollars flooded the national coffers, Nigeria fell prey to the "Dutch Disease," an economic phenomenon where a resource boom causes a decline in other sectors. The Naira became overvalued, making non-oil exports, such as cocoa and palm oil, uncompetitive. Successive governments, intoxicated by easy oil rents, neglected the laborious task of investing in agricultural modernization and industrial diversification.

The contrast with Malaysia is particularly instructive. Like Nigeria, Malaysia discovered oil and gas around the same time. However, the Malaysian leadership consciously used oil revenues as a seed capital to diversify its economy. They invested heavily in palm oil processing, electronics manufacturing, and tourism. Today, while oil and gas remain significant, Malaysia's economy is robustly diversified. Nigeria, on the other hand, allowed its thriving agricultural sector to wither. By the 1980s, oil accounted for over 90% of export earnings and the majority of government

revenue, creating a perilously monolithic economy vulnerable to global price shocks. This overdependence transformed the nation from a self-sufficient food producer into a net importer of even basic food items, squandering a critical opportunity to build a resilient, multi-sectoral economy.

The Garrison State: Political Instability, Military Rule, and the Erosion of Institutions

Nigeria's political trajectory was brutally interrupted by a series of military coups, beginning in 1966, which culminated in a devastating civil war from 1967 to 1970. For nearly three decades, the country was subjected to military rule, a period that inflicted deep and lasting scars on its institutional fabric. Military governments, by their nature, prioritize command and control over dialogue and consensus-building. They systematically weakened democratic institutions, subverted the rule of law, and perpetuated a culture of impunity where power was exercised without accountability.

This era witnessed the deliberate erosion of the civil service, the "permanent government" meant to ensure policy continuity. It was replaced by a system where loyalty was valued over competence. The legacy of this period is a pervasive culture of strongman politics, where the state is viewed not as a vehicle for public good but as a prize to be captured and exploited. As noted in the material I've included, the transition to an American-style presidential system was motivated by a desire to eliminate the perceived confrontational nature of parliamentary politics. The thinking, as captured by General Olusegun Obasanjo, was that in the Nigerian psyche, "opposition" was synonymous with "enemy." This foundational misunderstanding of democratic contests sowed the seeds for a political culture where the winner takes all and the opposition is not a loyal competitor but a foe to be crushed. This zero-sum approach to politics has stifled healthy debate, marginalized dissenting voices, and fueled the very ethnic and regional tensions it was designed to quell.

The Cancer in the System: Endemic Corruption and Institutional Decay

If political instability provided the environment, then corruption became the cancer that metastasized within it. The influx of oil money, accompanied by a lack of commensurate

accountability mechanisms, created an ecosystem ripe for corruption. Corruption in Nigeria evolved from petty bribery to a grand, systemic phenomenon that permeates every level of government. Transparency International consistently ranks Nigeria poorly on its Corruption Perceptions Index, reflecting a reality where public procurement is often a conduit for rent-seeking, and political office is frequently seen as the fastest route to personal wealth.

This endemic corruption has dire consequences. It inflates the cost of infrastructure projects, leaving the nation with substandard roads, ports, and power plants. It undermines investor confidence, as the unpredictability of the business environment and the difficulty in enforcing contracts make long-term investments perilous. It erodes social trust and fuels public cynicism, as citizens witness the brazen enrichment of the political class amidst widespread poverty. While countries like Brazil have established powerful anti-corruption agencies that have held high-profile figures accountable, and India has maintained a relatively independent judiciary and electoral commission, Nigeria's anti-corruption efforts have often been perceived as selective and politicized, further eroding public faith in the system.

The Unharnessed Potential: Demographic Boom Versus Human Capital Bust

Nigeria's population has increased from approximately 45 million in 1960 to over 220 million today, making it the most populous country in Africa and the sixth most populous in the world. This demographic profile, with a median age of under 18, should be its greatest asset—a dynamic, youthful workforce ready to drive economic growth. However, this potential has been catastrophically squandered through chronic underinvestment in human capital.

According to UNESCO, Nigeria has one of the highest rates of out-of-school children in the world, with over 10 million children not in school. The quality of education for those enrolled is often abysmally low, plagued by inadequate facilities and frequent strikes in the tertiary sector. The health system is in a state of crisis, with one of the highest maternal and infant mortality rates globally. The result is a "human capital bust." Youth unemployment and underemployment exceed 40%, fuelling social unrest and contributing to the brain drain, as the best and brightest doctors, engineers, and tech talent seek opportunities abroad. Nations like South Korea, with few natural resources, understood that their people were their ultimate asset and achieved near-

universal literacy within a generation. Nigeria, endowed with both human and natural resources, has failed to make a similar strategic bet on its people.

The Infrastructure Chasm: The Power Crisis and Its Cascading Effects

A modern economy cannot function without a foundation of critical infrastructure, and here, Nigeria's deficits are staggering. The most symbolic of these failures is the power sector. For a nation of over 200 million people and a sprawling economy, electricity generation has languished between 4,000 and 5,000 Megawatts for decades. For context, South Korea, with a population less than half that of Nigeria's, generates over 120,000 MW. This power crisis forces households and businesses to rely on expensive and polluting generators, significantly increasing the cost of doing business and rendering Nigerian manufacturers uncompetitive.

The deficits extend beyond power. Dilapidated road networks inflate logistics costs and hamper internal trade. Ports are plagued by inefficiency and corruption, resulting in some of the longest clearance times globally. The digital infrastructure, while growing, remains inadequate and expensive, limiting the potential of the burgeoning tech sector. Countries like India leveraged telecoms liberalization to trigger a digital revolution that now powers its services exports. Nigeria's infrastructure gap remains a monumental barrier to unlocking its economic potential.

Policy Volatility and the Flight of Capital

Investors, both domestic and foreign, crave predictability. Nigeria's economic history, however, has been a rollercoaster of policy flip-flops and inconsistent signals. The economy has oscillated between protectionist import bans and sudden liberalization, between a fixed exchange rate and a complex system of multiple exchange rates, and between fuel subsidy regimes that drain billions and attempts at removal that trigger social unrest.

This policy inconsistency creates an environment of profound uncertainty. It discourages long-term, patient capital that is essential for industrial growth. The provided material notes that over ten multinational corporations have divested from Nigeria in the past decade, a stark indicator of

an inhospitable business climate. Monetary policy has often been reactive, and fiscal discipline has been lacking, resulting in excessive borrowing for recurrent expenditures rather than productive investments. This stands in sharp contrast to the phased, consistent economic reforms undertaken by peers like Indonesia, which have provided a stable platform for growth.

The Reign of Insecurity: When Violence Stifles Development

In recent years, the specter of widespread violence has become a primary impediment to development. The Boko Haram insurgency in the North-East, farmer-herder conflicts in the Middle Belt, rampant kidnapping for ransom across the country, and separatist agitations in the South-East have created a pervasive climate of fear and instability. This insecurity has dire multidimensional impacts: it disrupts agricultural production, contributing to food inflation; it forces school closures, setting back human capital development; it deters investment, both domestic and foreign; and it stretches the nation's security apparatus to its limits. Insecurity is both a cause and a consequence of underdevelopment, creating a vicious cycle that is incredibly difficult to break.

Pathways to Redemption: A Blueprint for a New Nigeria

Despite this sobering retrospective, Nigeria's potential is not extinct. It lies dormant, waiting to be awakened by visionary leadership and collective will. The redemption of the Nigerian project requires a fundamental rethinking and deliberate action across several critical fronts.

First, Governance and Political Reformation must be the cornerstone. This requires moving beyond the "politics as war" paradigm. Embracing the concept of "agonistic pluralism," as suggested in the provided material, is crucial. This means recognizing political opponents as adversaries to be respected, not enemies to be destroyed. This would require constitutional and electoral reforms to ensure inclusivity, such as proportional representation, and strengthening institutions like the Independent National Electoral Commission (INEC) and the judiciary to ensure they are genuinely independent and impartial.

Second, a Marshall Plan for Human Capital Development is non-negotiable. The government must declare a state of emergency in the education and health sectors. This involves increasing funding in line with international benchmarks, reforming curricula to emphasize STEM and critical thinking, and revitalizing the vocational education system to create a skilled workforce capable of driving an industrial and digital economy.

Third, aggressive economic diversification must be pursued with a single-minded focus. The government must create a conducive environment for the private sector to lead a renaissance in agriculture, manufacturing, and digital services. This involves providing targeted incentives, improving access to credit, and most importantly, resolving the infrastructure deficits, particularly in power and logistics, to lower production costs.

Fourth, a National Infrastructure Fund must be established and managed with transparency to fast-track the development of power, rail, road, and port infrastructure. Public-Private Partnerships should be leveraged, but with stringent oversight to prevent the corruption that has plagued such projects in the past.

Finally, Security and Social Cohesion must be addressed through a dual strategy of robust security enforcement and a concerted effort to address the root causes of conflict—poverty, unemployment, and perceived marginalization. A sincere and action-oriented national dialogue is necessary to rebuild the frayed social contract between the Nigerian state and its diverse citizens.

Conclusion

Sixty-five years after independence, Nigeria still stands at a critical crossroads. The journey thus far has been a painful lesson in how not to manage a nation. The comparisons with South Korea, Malaysia, and others are not meant to induce despair, but to illuminate a path not taken, a path that is still accessible with the right choices. The story of Nigeria is not yet one of permanent failure, but it is a stark chronicle of missed opportunities.

The resources, both human and natural, remain available. The energy and ingenuity of the Nigerian people, evidenced by the success of its tech ecosystem and its citizens in the global

diaspora, remain undimmed. What has been lacking is a strategic vision, disciplined leadership, and a collective national will to translate this potential into shared prosperity. The time for rhetoric is over. The next decade will be decisive. It will determine whether Nigeria will finally break its cycles of underachievement and claim its destined place as a true giant of Africa or remain trapped in the debilitating narrative of missed opportunities. The choice, as it has always been, is Nigeria's to make.

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