



# DIPLOMATIC COURIER

## Nigeria Grows in Spite of its Government

By: Marian L. Tupy  
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On Tuesday, fifty African heads of state met with President Barack Obama to discuss everything from economic development to peace and security on the African continent. Among Africa's leaders was Nigeria's President Goodluck Jonathan, who heads a country that has grown in economic and political importance in recent years, all the while suffering from shambolic policies and lack of basic security. As the story of Nigeria shows, ordinary people's determination to improve their lives succeeds—often in the face of a broken government.

Earlier this year, Nigeria's finance ministry recalculated the size of the country's economy. This was a badly needed exercise, since Nigeria's national statistics have not been updated since 1990. The new estimates increased Nigeria's gross domestic product by a remarkable 89 percent to \$510 billion. As a result, Nigeria is now recognized as the world's 26th largest economy and Africa's largest, and the economic importance of Nigeria will surely increase in the future. By 2050, the United Nations predicts Nigeria's population, which currently stands at 168 million, will surpass that of the United States. By 2100, every 12th person in the world will have been born in Nigeria.

Contrary to popular misperception, Nigeria's economy is not primarily dependent on oil and gas exports, which account for a mere 14 percent of the gross domestic product. At 40 percent and 30 percent, respectively, the agriculture and service sectors are much more important. Analysts agree that expansion of finance, communications, and entertainment industries were instrumental to Nigeria's remarkable growth rate of 8.9 percent between 2000 and 2010. As a result of a decade of growth, the World Bank estimates that the average income per person adjusted for purchasing power parity rose to \$5,863—higher than India's.

Nigeria's economic performance is all the more impressive considering that it is one of the world's least economically free countries. According to the Fraser Institute, a Canadian think-tank, Nigeria's economic freedom was ranked 124th out of 152 countries surveyed in 2011. In terms of the ease of doing business, the World Bank found Nigeria was 131st out of 185 countries surveyed in 2013. Nigerian corruption is infamous worldwide. According to Transparency International, an American NGO, Nigeria was ranked 144th out of 177 countries surveyed.

The country's political leadership has been condemned for a number of highly visible failures, chief among them being the inability to stop Boko Haram, a militant Islamic movement that is responsible for over 5,000 murders and kidnappings of hundreds of school girls in April. Other security problems include the continued lawlessness in the Niger Delta and piracy that originates in Nigeria and threatens shipping all the way south to Angola.

There is a growing recognition that the Nigerian military suffers from corruption and incompetence. Unfortunately, President Jonathan's leadership on corruption borders on the schizophrenic. On the one hand, he has made an important step toward limiting the interference of corrupt politicians in the economy by privatizing Nigeria's inefficient and insufficient power supply. On the other hand, he has fired the governor of the central bank and one of Nigeria's foremost anti-corruption voices, Lamido Sanusi.

Finally, earlier this year, Nigeria has passed legislation criminalizing homosexual behavior in the country. Surely, with all the problems facing Nigeria, President Jonathan has more important things to worry about than private and consensual behavior of adult Nigerians.

The Nigerian presidential elections, which will take place in February 2015, are expected to be a close-run affair. The People's Democratic Party, which has won every presidential election since Nigeria's return to democracy in 1999, is contesting the poll united. In spite of his lackluster performance, Mr. Jonathan is enjoying the support of some unusual suspects. One such supporter is Orji Kalu, an influential Igbo leader and former governor of the Abia State, who was once contemplating a presidential run himself.

"What Nigeria needs above all else," Kalu argues, "is stability and peace. [...] Nigerians fear that civil war is coming and President Jonathan has shown himself to be uncompromising in dealing with the terrorists. Moreover," Kalu continued in his endorsement, "privatization of electric supply shows that Jonathan understands that private sector is the cornerstone of economic development. Considering the calibre of his opponents, Jonathan is the best man for the job."

Perhaps. There is certainly plenty of blame to go around and President Jonathan's job is not an easy one. That said, it is difficult not to conclude that Nigeria succeeds in spite of, not because of, its leadership.

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