Nigeria: a newly emerging economy

Context

Nigeria is the 27th largest economy in the world and is an NEE – a Newly Emerging Economy. It is a country which is increasingly seen as a regional leader and a dominant force in west Africa.

The following activities are designed to challenge preconceptions about Nigeria and should encourage a more rounded view of this growing economic powerhouse. Nigeria is set to become a major world player in the twenty-first Century.

Nigeria is commonly referred to as a MINT, one of four rapidly growing industrial countries known as Mexico, Indonesia, Nigeria and Turkey.

Activity 1. Below is an image taken on Lagos Island, in Lagos State, Nigeria. What industry can you identify in the picture? Look carefully, both in the foreground and the background. If stuck, try searching online for some of the company names you can see – such as UAC of Nigeria or REA.

Activity 2. Create a fact file page on Nigeria to collect some basic information about the country. A lot of information can be quickly gleaned from the CIA World Factbook https://bit.ly/33HnhNG.

Activity 3. Below is a quote from former Nigerian President Jonathan Goodluck:

_We want to lead a country where people will be less greedy. Where people will know that the commonwealth of Nigeria belongs to all Nigerians, where people’s wealth depends on the people around you. If you become a rich person and everyone around you is poor, you are very poor._

What does that tell you about some of issues facing Nigeria?
Population

Activity 4. Using the four generic populations pyramid shapes below, assign the following:

- Declining birth rate, low death rate
- Low birth rate, low death rate
- High birth rate, rapid fall in each upward age group due to very high death rate
- High birth rate, fall in death rates

Based on the quote; Nigeria has youth on its side with more than 60% of the population being younger than 25 years old, which population pyramid does it fit into?

Activity 5. The image below shows heavy traffic at Idumota Market, Lagos Island. The population is bulging! On the next page is a blank population pyramid for Nigeria in 2019. Use the data beneath it to complete the population pyramid.
<table>
<thead>
<tr>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>95+</td>
<td></td>
</tr>
<tr>
<td>90-94</td>
<td></td>
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<tr>
<td>85-89</td>
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<td>80-84</td>
<td></td>
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<td>75-79</td>
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<td>65-69</td>
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<td></td>
</tr>
<tr>
<td>5-9</td>
<td></td>
</tr>
<tr>
<td>0-4</td>
<td></td>
</tr>
</tbody>
</table>

**Population Pyramid Age**

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Male %</th>
<th>Female %</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-4</td>
<td>8.5</td>
<td>8.1</td>
</tr>
<tr>
<td>5-9</td>
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<tr>
<td>10-14</td>
<td>6.4</td>
<td>6.1</td>
</tr>
<tr>
<td>15-19</td>
<td>5.4</td>
<td>5.2</td>
</tr>
<tr>
<td>20-24</td>
<td>4.4</td>
<td>4.3</td>
</tr>
<tr>
<td>25-29</td>
<td>3.7</td>
<td>3.6</td>
</tr>
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<td>30-34</td>
<td>3.2</td>
<td>3.1</td>
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<td>35-39</td>
<td>2.8</td>
<td>2.7</td>
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<td>40-44</td>
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<td>45-49</td>
<td>1.8</td>
<td>1.8</td>
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<td>50-54</td>
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<td>1.4</td>
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<td>1.1</td>
<td>1.2</td>
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<tr>
<td>60-64</td>
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<td>0.9</td>
</tr>
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<td>65-69</td>
<td>0.6</td>
<td>0.7</td>
</tr>
<tr>
<td>70-74</td>
<td>0.4</td>
<td>0.4</td>
</tr>
<tr>
<td>75-79</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>80+</td>
<td>0.1</td>
<td>0.1</td>
</tr>
</tbody>
</table>
Investment

International FDI has rapidly increased in Nigerian companies over previous decades. FDI stands for Foreign Direct Investment. TNCs are global Transnational Corporations describing large businesses which operate in a number of countries. Production is often split between various locations to capitalise on low production costs or low levels of regulation.

Activity 6. Using the data table and the graph paper below, complete a line graph showing FDI investment in Nigerian TNCs over the past 20 years.

<table>
<thead>
<tr>
<th>Year</th>
<th>FDI US$ bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>4.8</td>
</tr>
<tr>
<td>2009</td>
<td>8.5</td>
</tr>
<tr>
<td>2012</td>
<td>7.0</td>
</tr>
<tr>
<td>2015</td>
<td>3.1</td>
</tr>
<tr>
<td>2018</td>
<td>2.0</td>
</tr>
</tbody>
</table>

Extrapolation is when you make a statistical forecast using a historical trend. Using your line graph answer the following questions:

1. What is the overall trend?
2. What do you think the future trend will be for FDI investment in Nigeria? Extrapolate the investment data up to 2021.
3. Go to the Further reading links at the end of this document and find out which country has overtaken Nigeria as the West African destination for FDI.
Economics

Nigeria is well positioned to be a dominant force in world economics as it has half of west Africa’s 202 million people, a strong youthful population and an abundance of natural resources. Nigeria returned to being democratic in 1999. However, future growth will be restrained by endemic corruption. In 2015, former American President Barak Obama listed security, youth employment and corruption as the main issues facing Nigerian economic development. Other major challenges persist such as a stuttering economy from the oil price collapse of 2014-2016, a widening poverty gap and the agricultural sector being held back by an insurgency in the north east and ongoing farmer-herdsmen feuds.

Nigeria is the lead exporter in the west Africa regional bloc (ECOWAS) with 77% of regional exports. Cote d’Ivoire has 10%, Ghana 4%, Senegal 2% and Mali with 1.7%. Five other countries make up the remaining amount with Benin, Burkina Faso, Guinea, Niger and Togo each carrying 1% of the regional export total.

Activity 7. Consider what the best form of graphic representation is for the above data on exports. Using the space below graph the percentage data on west African regional exports.
Nollywood

Nollywood is the colloquial name given to the film industry in Nigeria. It is a huge industry and has both a regional and international influence. Nollywood is a (Naira) multibillion movie industry in Nigeria. It is the headquarters of the film industry and the centre of film production for Africa. The industry is concentrated in an area called Surulere – an impoverished area of the Lagos lagoon, renowned for being overcrowded and one of the busiest places in the city. Surulere was originally only known as a thoroughfare to the Eko Bridge which links the city mainland, Lagos Island and Victoria Island. Surulere is now a thriving hub for the creative arts and the movie business is booming – so much so Netflix have invested heavily in Netflix Naija, a multimillion Naira streaming service with the first Nigerian original series due to be filmed in 2020.

Activity 8. Investigate Nollywood by researching the industry. Below there is a photograph of a Nigerian film crew working out on location. Create a mindmap of information with at least 6 key facts about the incredible success of the movie business in Nigeria.

Want to know more? Find out who Genevieve Nnaji is at [http://bit.ly/NnajiBBC](http://bit.ly/NnajiBBC) and answer:

a) Why was Genevieve Nnaji ostracized in the 1990s?

b) What influence has she had with her films globally?

c) When her directorial debut Lionheart was nominated for the Oscars what was the moment described as?

d) Why was it eventually rejected in the best international feature film category?
Films

There are 3 iconic films which each tell a different side to the rise of music and film in Nollywood: Welcome to Nollywood, Finding Fela and Lionheart.

Activity 9. Welcome to Nollywood

Welcome to Nollywood is a documentary about the rise of Surulere and the film industry there. You can watch it for free on YouTube, search online.


Watch the first 18 minutes of the documentary on Lagos and make notes.

Answer the following questions:

1. On average, how many films does Nollywood make per year?
2. What is Chico Ejiro described as?
3. What genre and type of film do producers create for Nigerians?
4. What film types did they start with and then move onto?
5. Describe the Idumota Market on Lagos Island – what would it be like to live there? (The image on page 2 shows the same market in 2019)
6. What is meant by the assertion that this represents ‘the democratisation of [the] means of production’?

Activity 10. Finding Fela

Fela Kuti is hailed as the greatest Nigerian musician of all time – a pioneer of Afrobeat music and a human rights activist. He sung in English and Yoruba and performed mostly in his Lagos club,
called the Shrine. He toured the globe with his fusion of high-life jazz and afro-soul appearing, for example, at Berlin Jazz festival in 1978 with his band Egypt 80.

Fela was a fierce critic of the authoritarian Nigerian regime in the 1970s and 1980s. He is so important to Afro-American and West African culture that Jay-Z and Will Smith co-produced a Broadway musical on him, which you can now buy as a mini documentary.

Watch chapter 2 Who is Fela Kuti, Chapter 3 Shrine and Chapter 4 Sandra Izsadore in the film Finding Fela by Alex Gibney and answer the following questions (note there are some violent scenes in some parts of the film, if used it will need to be carefully managed):

1. What does the costume designer Marina Draghici say of Fela?
2. Chapter 3 Shrine. What was his Afrika Shrine?
3. How does Fela describe Nigeria?
4. How could you take High Life to the next level?
5. Chapter 4 Sandra Izsadore. What did Fela read that changed his life?
6. What happened in 1968 in Nigeria?
7. After the Biafra War what was destabilising?

Activity 11. Lionheart

Update your Nigerian film knowledge with this extension task. Watch Lionheart – a Nigerian film and the first global Nollywood hit, directed by and starring Genevieve Nnaji.


Investigate the profile Genevieve Nnaji has in Nigeria.
Waste management

There are a multitude of challenges facing Nigeria, with a population growth of more than 3% per year. There are forecasts of an estimated total population of 402 million by 2050 – which would make Nigeria the third most populous nation globally.

Waste disposal, female emancipation and farming are all challenges from uneven development throughout the country. Yet there are also success stories in these areas and general optimism about Nigeria being able to tackle the issues it faces. Waste recovery is an example of such positivism, with a gradual increase of interest in clean energy. This is of the upmost importance because for many people living conditions are deteriorating with economic progress.


1. Why is the potential for clean energy ‘huge in Nigeria’?
2. ENRG are a regional TNC in west Africa who specialise in municipal solid waste management. They have set up the first waste recovery facility in Alimosho, Lagos. What do waste company ENRG plan to do in the future?
3. What percentage of the ENRG workforce are female and why is this important in a country’s development?
4. What will the new clean energy waste facility support in the future in Lagos?


1. What does Awodu Suleiman say this work has provided for him, as a recycler?
2. How much solid waste does Nigeria produce?
3. What was awarded in 2009?


1. What are the computers imported and stripped down for?
2. What is the problem?
Farming opportunities

In spite of oil being synonymous with Nigeria, agriculture constitutes the main base of the economy, providing a livelihood for many Nigerians. According to the World Bank, in 2019 36% of Nigerians were employed in agriculture with the main food crops being millet, sorghum, cassava and yams. Nigeria is the leading consumer of rice in Africa and simultaneously both the largest producer on the continent and the largest importer. Nigeria is also the largest producer of cassavas in the world, accounting for 20% of worldwide production. Close to two-thirds of cassava production is grown in the south, totalling 66% of the national output. Agricultural produce is mainly grown by smallholders – large commercial farms are very rare in Nigeria.

Pastoralists are important as these semi-nomadic herdsmen cater for the changing diet of an emerging middle class in Nigeria. 60% of livestock farmers are concentrated in the semi-arid zone to the north of the country. Livestock farming has grown exponentially and is increasingly very important to Nigeria. The country has over 19 million cattle, 40 million sheep and 60 million goats. However, there is still a high amount of imported livestock as demand far outstrips supply.

Activity 15. Plot a triangular graph using the data below on agricultural land, forested area and urban land use in Nigeria between 1990 and 2020. To distinguish one year from another, colour code the data per row.

<table>
<thead>
<tr>
<th>Nigeria date</th>
<th>Forested area % of land area</th>
<th>Agricultural area % of land area</th>
<th>Urban/ rural areas % of land area</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>19%</td>
<td>68%</td>
<td>13%</td>
</tr>
<tr>
<td>1995</td>
<td>17%</td>
<td>75%</td>
<td>8%</td>
</tr>
<tr>
<td>2000</td>
<td>14%</td>
<td>78%</td>
<td>8%</td>
</tr>
<tr>
<td>2005</td>
<td>12%</td>
<td>80%</td>
<td>8%</td>
</tr>
<tr>
<td>2010</td>
<td>10%</td>
<td>77%</td>
<td>13%</td>
</tr>
<tr>
<td>2015</td>
<td>8%</td>
<td>78%</td>
<td>14%</td>
</tr>
<tr>
<td>2020</td>
<td>7%</td>
<td>78%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Answers

Welcome to Nollywood
1. 2,400 films a year. It is the third largest movie producer worldwide.
2. He has turned guerilla film making into an industry, into the norm.
3. Science fiction is not filmed. Nollywood focuses on drama – the films are slow and ‘dialogue orientated’ because Nigerians are ‘a speaking people’.
4. Cult films, epic films, abduction and corruption.
5. Busy, noisy, full of cheap video cassette tapes or VCDs. It is like Soho, London. Marketers import video machines.
6. Working in celluloid was exclusive. Films are shot for $1.50 and sold for $3. A producer might make a movie for $15,000 and sell direct to a marketer for $20,000. It is unique, homegrown and is supported by Nigerians at home (instead of American blockbusters).

Finding Fela
1. He is someone we don’t quite understand. There is something about him that is completely insane and at the same time inspirational.
2. It was in an old African hotel – a nightclub. James Brown came, Sir Paul McCartney and Stevie Wonder.
3. You can’t call Nigeria a capitalist country. There are ‘opposite people’, two-faced corrupt officials.
4. Just like Soul music in America lead by James Brown, it evolves - long jazz solos and high energy.
5. The autobiography of Malcolm X and the Black Panthers.
6. The Biafra War, a civil war 1967-1970 between the Biafrans and the Nigerians. Biafra was an Igbo Catholic minority rising up in the east against the Yoruba in the south and the Hausa in the north.
7. Nigeria was destabilised from billions of petrodollars flowing into the country for oil, it turned Nigerian social and economic relations upside down with corruption.

Waste management
DFID ENRG: do Nigerians reuse?
1. The potential for clean energy is huge in Nigeria because there is an energy deficit in the country.
2. ENRG plan to use non-reusable waste to generate electricity in Nigeria. This is incredibly important as the country experiences power shortages and black outs multiple times a day, every day.
3. There are 3,200 women in the workplace. They are essential for economic growth as this traditionally goes hand in hand with reduced family size and higher national productivity.
4. A general hospital and Lagos State University.

VOA: what role do local recyclers play?
1. It provides money, marriage and regular income for Awodu Suleiman.
2. Nigeria produces the most solid waste in Africa with 32m metric tonnes per year.
3. 26 contracts for recycle waste centres but logistics (of collection) remain a problem.

Al Jazeera news: what is ‘urban mining’?
1. Gold, silver and palladium.
2. Heavy chemicals such as lead, cadmium and chromium can be released in the soil and water. E-waste pickers suffer from respiratory, immune, and nervous system problems.
Further reading links
All the suggestions below are free to access. Remember you can read content from the FT for free if you are a student aged 16-19 or a teacher. Sign up by visiting http://bit.ly/FTschools.

Context
How Nigeria’s Kings lost their power
https://www.bbc.co.uk/news/world-africa-51853564

Special report: investing in Nigeria
https://www.ft.com/reports/investing-in-nigeria

Obama elections
https://www.forbes.com/sites/faraigundan/2015/03/23/president-barack-obama-delivers-a-message-to-the-people-of-nigeria/#198f7182c02d

Obama African Union address

Nigeria has twice as many births as the global average
https://www.ft.com/content/69f907ce-e127-11e9-b8e0-026e07cbe5b4

Nigeria: what Muhammadu Buhari’s re-election means for Africa’s biggest economy

Investment
How Ghana overtook Nigeria
https://www.bbc.com/pidgin/tori-46972532

Law and disorder in Lagos BBC iPlayer
https://www.bbc.co.uk/iplayer/episode/b00vcwfw/louis-theroux-law-and-disorder-in-lagos

World Bank

Nigeria’s closed borders

Oil price drop saps Nigeria’s revenues
https://www.ft.com/content/2f4e783e-e39d-11e9-9743-db5a370481bc

Netflix Naija

Wildcat Nigerian gold miners look to regulation in a post-oil future
https://www.ft.com/content/0be78a98-e39d-11e9-9743-db5a370481bc

Will Nigeria benefit from a demographic dividend?
https://www.ft.com/content/69f907ce-e127-11e9-b8e0-026e07cbe5b4
Nollywood
Nollywood statistics
www.pwc.com/ng

Nigeria summary
www.bbc.co.uk/news/world/africa

Nollywood: the story of Nigeria’s runaway success

Genevieve Nnaji

Films
Welcome to Nollywood

Lionheart

Controversy

Waste
ENRG waste
https://www.youtube.com/watch?v=MhZCwSrBAyc

Nigerian recyclers
https://www.youtube.com/watch?v=ohtcqYHqZb4

E-waste
https://www.youtube.com/watch?v=_dwvzXdy9PA

Farming opportunities
Land conflict
https://www.ft.com/content/fc0934a8-e394-11e9-9743-db5a370481bc

Nigeria needs to close the financial inclusion gap for women smallholder farmers

Zimbabwean farmers in Nigeria
https://www.youtube.com/watch?v=j4I3fJBSaZE

Boosting rice production in Nigeria
https://www.bbc.co.uk/news/business-47858725