

ASSESSING THE ECONOMIC AND SOCIAL ASPECTS OF SUSTAINABLE DEVELOPMENT IN NIGERIA

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Abstract

Like any developing nation, Nigeria faces some challenges in its development stride and efforts to improve the quality of life of its citizens. The critical economic issues concern the need to foster sustainable rapid economic growth that will cater for the needs of its large population and the imperative proper integration of its domestic economy into the world economy in the face of increasing globalization. Therefore the country has taken education as an important key of achieving a sustainable economic development. Energy also has been recognized as the power drive of economic growth and industrial development of Nigeria since there is a clear correlation between energy consumption and living standards. Similarly, in attempt to promote sustainable economic development, Nigeria has underscored the importance of entrepreneurship as a realistic mechanism for sustainable economic development in the country. Furthermore, Nigeria ranks among the most urbanized countries in the world hence posing challenges to the provision of basic services for all, despite government efforts, particularly in terms of safe water and sanitation. This paper therefore presents the way forward for economic and social aspects of sustainable development in Nigeria.

Keywords: *Energy, Entrepreneurship, Education and Urbanisation.*

1. Introduction

The most interesting aspect of sustainable economic and social development is the fact that it puts in to consideration the present conditions of people as well as not compromising those that come later. Therefore, the concept of sustainable economic and social development remains the modern parameter of measuring development. The Bruntland Commission (1987) defined sustainable development as "the development that meets the needs of the present without compromising the ability of the future generations to meet their own needs." Economic sustainability in Nigeria is maintaining and sustaining a high real growth rate of the economy to achieve a sustainable economic development. For instance, Nigeria's economy performed reasonably well in the 1960s and early 1970s but did poorly in the following two decades. However, since the late 1990s, the economy has picked up. But the recovery's sustainability is fragile for two reasons. First, strong domestic savings do not underpin it. Second, Nigeria's economy remains vulnerable to outside shocks.

Despite the contributions of international multinational, bilateral and nongovernmental organizations to the development strides in Nigeria, it appears that the more assistance the country gets the higher the poverty, unemployment and conflict levels. The country's population is growing at geometrical progression without corresponding growth in basic infrastructure and social amenities such as electricity, good roads, potable water, health, educational facilities. The real sector of the economy is comatose with low capacity utilization in the industrial sector, underdevelopment in agricultural sector and ailing transport sector. The cities are congested due to high rural-urban migration and poor urban planning and most citizens who could no longer bear the congestion associated discomforts had either legally migrated to developed countries or sought asylum. Analysts have been asking what had happened to resources generated from oil and gas productions as well as the financial assistance from many international organizations to Nigeria.

The implications of sustainable developmental challenge in Nigeria are diverse socio-economic problems. This paper examines the economic and social aspects of sustainable development in Nigeria.

2. Literature Review

2.1 Economic Aspects of Sustainable Development in Nigeria

Economists have since focused on viewing the economy and the environment as a single interlinked system with a unified valuation methodology. Intergenerational equity can be incorporated into this approach, as has become common in economic valuations of climate change economics. Ruling out discrimination against future generations and allowing for the possibility of renewable alternatives to petrochemicals and other non-renewable resources, efficient policies are compatible with increasing human welfare, eventually reaching a golden-rule steady state. Thus the three pillars of sustainable development are interlinkages, intergenerational equity, and dynamic efficiency. Economic Sustainability Agenda 21 of UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions (2005) clearly identified information, integration, and participation as key building blocks to help countries achieve development that recognizes these interdependent

pillars. It emphasizes that in sustainable development everyone is a user and provider of information. It stresses the need to change from old sector-centered ways of doing business to new approaches that involve cross-sectoral coordination and the integration of environmental and social concerns into all development processes. The economic sustainable development reviewed in this paper shall include energy and entrepreneurship.

2.1.1 Energy

Energy is the power drive of economic growth and industrial development of any society, there is a clear correlation between energy consumption and living standards. The availability and consumption of energy is an index of prosperity on any nation. Nigerian's energy need is on the increase, and her increasing population is not balanced by adequate energy development. Nigeria needs more energy to meet the rising demand of energy, due to population increase, inevitable industrialization, more agriculture production and improving the standards. However, there are challenges due to economic, social, technical and political barriers. The challenges have to be overcome if energy development technologies are to be deployed to make a meaningful impact on the energy mix in the nation which of course would promote sustainable economic development.

In addition to the above, today Nigeria does not have government regulation in place to clearly define energy efficiency standards, the use of alternative and renewable energy, or even integrated energy resource planning. In fact, the rational use of energy is not covered by any of the country's laws, which is the most important constraint. As part of the steps to alleviate Nigeria's energy crisis, there are several ongoing projects like the electricity sector reform, licensing of private refineries and other energy sector reform projects aimed at increasing energy supply. However, as aptly indicated by the Director General of the nation's Energy Commission, these are half-measured approaches, which do not adequately consider the opportunities and potentials that arise from efficient energy use. According to him, "only integrated resource planning strategies which consider both the supply-side and demand-side management can be considered sustainable. This requires a fundamental switch from strategies that focus on conventional supply-expansion to those that give greater emphasis to energy end-use efficiency improvement."

Nigeria's inefficient energy production and consumption gives it the potential to achieve significant gains in energy efficiency. Furthermore, Nigeria possesses great potential for the development of hydropower, solar energy and other renewable energy resources as well as the natural gas, all of which are distributed throughout the region, yet, so many remains to be done to harness these efficient energy resources. Although there are a few pilot projects geared towards increasing energy efficiency, there is undeniably, a huge disinterest in energy efficiency matters at the federal government level, where it could make great impact. Finally, there is no doubt that a business as usual or half-hearted approach is not the way forward for Nigeria. The present energy crisis and projected energy demand growth make it imperative for Nigeria as a whole to inculcate the culture of rational energy use through the development and implementation of both national and regional energy efficiency policies.

2.1.2 Entrepreneurship

Entrepreneurship in Nigeria started when people in the villages and farming communities produced more products than they needed, as such; they had to exchange these surpluses with those who needed them within their immediate and neighbouring communities. The exchange of goods for goods or services was based on trade by barter initially, until commodity money was developed and used. The socio-economic impact of entrepreneurship on the sustainable economic development of the Nigerian economy is difficult to accurately measure or estimate, but it is believed to be highly dynamic and significant. This is the reason why several studies have estimated that between 45 and 60 percent of the urban labour force work for small private enterprises or what is otherwise called small businesses. These same studies also suggest that entrepreneurship has been beneficial because the Nigerian private sector comprising of small and medium enterprises provides diverse employment opportunities for 50 percent of the country's population and 50 percent of its industrial output.

Nigeria despite its abundant natural and human resources is unfortunately faced with some challenges which in the recent years have surged appreciably and cause serious set-backs to entrepreneurship development. With specific reference to the SMEs, they are faced frequently with harassment from the government officials who extort money from their already small businesses. In addition, there is paucity of infrastructure including bad roads, water shortage, erratic supply of electricity, and poor telecommunication system. Added to the above discouraging challenges is the difficulty in accessing bank credits, but the most serious and damaging problem threatening the state of entrepreneurship in Nigeria is a lack of government interest and support for micro, small enterprises.

2.2 Social Aspects of Sustainable Development in Nigeria

Social sustainability encompasses human rights, labor rights, and corporate governance. Social sustainability is the idea that future generations should have the same or greater access to social resources as the current generation (“inter-generational equity”). While there should also be equal access to social resources within the current generation (“intra-generational equity”). Social resources include ideas as broad as other cultures and basic human rights. Also we can speak of Sustainable Human Development that can be seen as development that promotes the capabilities of present people without compromising capabilities of future generations. In the human development paradigm, environment and natural resources should constitute a means of achieving better standards of living just as income represents a means of increasing social expenditure and, in the end, well-being.

Social sustainability entails continuous improvement in the social well-being and quality of life. It focuses on social and human development indicators. The following are the indicators of social aspects of development: the percentage of a population living below the poverty line, adult literacy rate, primary and secondary school enrolments, percentage of population with access to improved sanitation, and percentage of population with access to safe water. This paper looks at two social aspects of development in details, that is: education and urbanization.

2.2.1 Education

Technical and Vocational Education and Training (TVET) have been recognized in the world over as tools for empowering people, especially the youth, for sustainable livelihood and social-economic development. The United Nations Educational, Scientific and Cultural Organization (UNESCO) and the International Labour Organization (ILO) recommendations of 2000 on technical and vocational education and training for the twenty-first century, defined TVET as those aspects of education process involving, in addition, to general education, the study of technologies and related sciences, and the acquisition of practical skills, attitudes, understanding and knowledge relating to occupations in various sectors of economic and social life.

The development of technical and vocational skills is vital to economic development for two important reasons. First, technical and vocational skills are needed for enterprise productivity and profitability, as well as for national productivity and wealth creation. Without the necessary technical skills, enterprise and national growth can be seriously hobbled. Technological innovation and economic growth fuel the demand for skilled workers. The need for technical and vocational skills is increasing because of a convergence of factors—technological change, changes in work organization, growing economic openness and competitiveness, and capital deepening (increasing capital per worker). The second reason for the development of technical and vocational skills is because it is essential for individual prosperity. Skills enable the individual to increase productivity and income. This is especially important for those who are seeking out a living in the informal sector of the economy. Today in Nigeria, population growth and urbanization; poverty and lack of income generating capacity and failure of graduates from schools system to secure employment clearly highlights the importance of career development which is achievable through TVET. To enable those still in post- secondary schools to be relevant to the world of work as well as to draw the majority of jobless people out of the unemployment market, there is need to reposition TVET as the best means to improve economic opportunities for the teaming youths which will eventually enhance economic development of Nigeria.

Although capacity development initiative in technical education had been done through the introduction of related courses in colleges, polytechnics and universities, some challenges are still present which if not addressed may militate against the use of TVET as a driver of sustainable economic development. These are negative perception of TVET as career path for less academically endowed, discrimination against graduates of technical institutions, lack of linkage between formal and non-formal TVET, poor implementation of staff development training policy, insufficient laboratory and workshop equipments, low enrollment in technical schools, absence of partnership between training institutions and industry, societal respect for the "scholars" and disdain for "mechanics" and mismatch between training and labour market needs.

2.2.2 Urbanization

Nigeria as a nation has been experiencing an accelerated shift of her populations from rural to urban areas. This rapid rate of urbanization has engendered several challenges and problems

similar to situations in other parts of the world. The problems identified in Agenda 2 are prevalent in Nigeria. Today's Nigerian cities are typified by substandard and inadequate housing, slums, and lack of infrastructure, transportation problems, low productivity, poverty, crime and juvenile delinquency. Urbanization is the root cause of the high rates of environmental degradation, pollution and social delinquency.

Urban development problems in Nigeria could be viewed from both socio-economic and environmental perspectives. Increase in the urban population has resulted in the proliferation of slums and informal peril-urban settlements otherwise known as shantytowns. The shantytowns are deprived settlements characterized by excessive residential densities, largely uninhabitable housing and the absence of sanitation, basic infrastructure and social services. They harbor migrants from the rural areas who are unable to fit into the economy of the city and so tend to find solace in informal activities and crime. The proliferation of these shantytowns results in the unwieldy expansion of the urban centers which poses a major planning problem as provision and management of roads, drainage and sewage systems among other infrastructure proves very difficult. Furthermore, shanty towns, a consequent of urbanization, cause increases in the incidence of urban poverty, diseases and epidemics, environmental pollution, urban conflicts and crime.

3. Methodology

This study employed a cross-sectional survey design. This is because it allows for the study of the population at one specific time and the difference between the individual groups within the population to be compared. The choice of this method is informed by the fact that cross-sectional survey design combines the use of quantitative and qualitative observation, text content analysis and available official statistics in different proportions for problem-solving or problem-identification depending on the objectives of the research (Abouzeedan and Leijon, 2007). The target population of this study included 4,000 participants while the sample size was 351 respondents which was determined using Krejcie and Morgan table (1970). However, 343 questionnaires were returned and counted valid for analysis, giving a response rate of 98%. The category of respondents included management and technical staff of different organizations and technical schools in Nigeria. The questionnaires which were retrieved were categorized as follows; Energy (*87 respondents*), Entrepreneurs (*89 respondents*), education (*86 respondents*), and Urbanization (*81 respondents*). The study results were presented in tabular format using frequency and percentage tables.

4. Findings

Table 1: The Challenges Facing the Energy Sector in Nigeria

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Technical Competence	28	32.2	32.2	32.2
	Adequate Funding	25	28.7	28.7	60.9
	Government Policies	19	21.8	21.8	82.8
	Political and Legal framework	11	12.6	12.6	95.4
	Insecurity	4	4.6	4.6	100.0
	Total	87	100.0	100.0	

Source: *Primary Data, 2016*

Table I revealed that majority of the respondents noted that technical competence was the major challenge in the energy sector, followed by lack of adequate funding, poor government policies, lack of better political and legal framework and high level of insecurity specifically posed by Boko Haram in the Northern zone of Nigeria.

Table 2: The Challenges Affecting Entrepreneurs in Nigeria

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Electricity	33	37.1	37.1	37.1
	Access to finance	23	25.8	25.8	62.9
	Transportation	14	15.7	15.7	78.7
	Tax Rates	10	11.2	11.2	89.9
	Corruption	6	6.7	6.7	96.6
	Access to land	3	3.4	3.4	100.0
	Total	89	100.0	100.0	

Source; *Primary Data, 2016*

Table 2 revealed that majority of the entrepreneurs noted that electricity and access to finance were their greatest impediment to the success of their businesses. However, other impediments to the successes of these businesses included poor road network that makes transportation a big challenge most especially in remote areas; followed by high tax rates that is marred with bribery and corruption hence posing tax evasion and avoidance among the potential tax payers.

Table 3: Challenges Facing Technical and Vocational Training Educational System in Nigeria

	Frequency	Percent	Valid Percent	Cumulative Percent
Discrimination against graduates of technical institutions	22	22.6	25.6	25.6
Societal respect for the “scholars” and disdain for “mechanics”	17	19.8	19.8	45.3
Poor implementation of staff development training policy	14	16.3	16.3	61.6
Low enrollment in technical schools	13	15.1	15.1	76.7
insufficient laboratory and workshop equipment	11	12.8	12.8	89.5
Absence of partnership between training institutions and industry	9	10.5	10.5	100.0
Total	86	100.0	100.0	

Source: *Primary Data, 2016*

Table 3 revealed that majority of the respondents noted that discrimination against graduates of technical institutions is a very big challenge to TVET, followed by societal respect for the "scholars" and disdain for "mechanics", poor implementation of staff development training policy, low enrollment in technical schools, insufficient laboratory and workshop equipment, and absence of partnership between training institutions and industry.

Table 4: Challenges Facing the Urbanization of Nigeria

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid growth of slums	25	30.9	30.9	30.9
access to piped water	21	25.9	25.9	56.8
access to electricity	19	23.5	23.5	80.2
waste disposal	10	12.3	12.3	92.6
sanitation and healthcare	6	7.4	7.4	100.0
Total	81	100.0	100.0	

Source: *Primary Data, 2016*

Table 4 revealed that majority of the respondents noted that the challenges facing urbanization in Nigeria is the high level of slum growth, followed by lack of access to piped water, lack of access to electricity, poor waste disposal and poor sanitation and healthcare.

5. Empirical Evidence

The unstable power supply in Nigeria has for a long time forced the closure of several potential entrepreneurial businesses in the country. For Instance, a survey by Manufacturers Association of Nigeria (MAN) revealed that a total of 834 companies shut down their operations in 2013. The closure of the 834 companies was attributable to epileptic power supply, high cost of alternative sources of electricity and multiple taxes, which resulted in huge cost of doing business. The closure of these companies further compounded the already bad state of unemployment in the nation (Oyelola and Ajiboshin, 2013).

In regard to the energy sector, lack of technical competence remained and may continue to be a major challenge towards the development of energy systems in Nigeria. The technical failures of energy development systems can be traced to lack of understanding of local energy requirements, lack of research and development to adapt technologies to local conditions, resources and requirements; lack of local skilled labour to install, operate and maintain the equipment properly and lack of access to spare parts (Okafor and Joe-Uzuegbu, 2014). It is on record that most of the pilot programmes are carried out in rural communities. These communities are quite remote that most initial installers will not be willing to get back there to render maintenance services. Even when they do, the professional charges are beyond the capabilities of beneficiary rural dwellers. The concept, design, application and use of most energy devices are conceived without any local input, and there is little or no effort to the system to various usage requirements. The result is that anytime it becomes difficult to get assistance in terms of component or intellectual property, as may be needed to maintain the energy systems, the systems will simply face redundancy and finally abandonment by the user (Garba and Bashir, 2012).

In regard to TVET, today in Nigeria, population growth and urbanization; poverty and lack of income generating capacity and failure of graduates from schools system to secure employment clearly highlights the importance of career development which is achievable through TVET. To enable those still in post-secondary schools to be relevant to the world of work as well as to draw the majority of jobless people out of the unemployment market, there is need to reposition TVET as the best means to improve economic opportunities for the teaming youths which will eventually enhance economic development of Nigeria (Yusuff and Soyemi, 2012).

In regard to urbanization, majority of Africa's population growth is expected to take place in urban areas largely due to rural-urban migration. Rapid urbanization in Africa has been accompanied by new and challenging environmental problems. A sizeable proportion of urban dwellers in Sub-Sahara Africa live in slum conditions, without durable housing or legal rights to their land. At least one-quarter of African city dwellers do not have access to electricity. The World Health Organization (2004) reported that an estimated 43 percent of urban dwellers had access to piped water. After a decade, not much has changed. Waste disposal presents a tremendous health hazard in many urban areas. Clearly, current patterns of urbanization do not have consistent desire to have ecologically friendly sustainable development in Nigeria.

6. Conclusion

Nigeria's economic and social aspects of development can better be realized when education through technical and vocational education and training is embraced, or energy is efficiently developed into a sustainable level, entrepreneurship is widely encouraged, and urbanization is carefully observed. This is because these developmental aspects could be argued to be the way forward if Nigeria should realize any sustainable development; the Nigerian government has never been in short supply of policies, programmes or reforms aimed at alleviating the challenges confronting the economy and the livelihood of its citizens. But what is usually in short supply is the political will to successfully implement these policies and programmes to tackle these challenges. It has been argued that commitment to sustainable socio-economic development both for the present and future generations will be meaningless if collaborative approach is not employed.

7. Recommendations

It is therefore recommended that the following institutions and policies be enhanced in order to make way for sustainable economic and social development in Nigeria; Firstly, facilities and material resources need for energy development in Nigeria especially for that of hydro power, solar energy installation, biogas and biomass Technology should be up-graded to generate stable power drive for energy development. The government should alternatively import facilities to complement the existing domestic facilities so that efficiency and effectiveness can be justified optimally.

- Secondly, the Nigerian government needs to shift from over-dependence on oil and place more attention on the development of small & medium sized enterprises for sustainable economic development in Nigeria, Economic prosperity in Nigeria, as in the rest of the world, depends on strong and empowered private sector to lead micro, small and medium enterprises to a higher level of growth which would significantly contribute to the country's economic well-being.
- Thirdly, achieving sustainable social development through technical and vocational education and training requires collective and serious efforts and strong commitments on the pan of parents/guardians, educational institutions/training providers, employers and government. Parents should support children to choose vocational education track and reject the perception that TVET is for less academically endowed,
- Last but not least, there is need for urban regeneration and enhanced infrastructural development. As the population of an urban centre increases, its need for infrastructure such as transportation, water, sewage and facilities such as housing, commerce, health, schools, recreation and others increases; therefore, increasing the environmental carrying capacity of the urban areas is necessary for enhancing the live ability of cities in Nigeria. Massive rehabilitation and expansion of urban infrastructure in the country should be taken more seriously. This should be done to address the challenges of urbanization, urban governance, land management and shelter in Nigeria. The issues of poverty (rural and urban) and sustainable urban cities should continue to receive the attention of the government, just as the political will

and commitment to formulate and implement programmes and policies for development planning, housing, infrastructural development and urban management should be accelerated.

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