

Nigeria's development process, methodology and milestones planned for VISION 20:2020 - 13 years after

Regional and international economic integration

**Adekomi, D.A.¹ and Alebiosu, C.O.²*

Abstract

Regional economic integration has helped many countries of the world to concentrate on issues that are essential to their development as well as encourage local, national, and international trade between countries and neighbors. In the past years, there has been increase in trading blocs with numerous agreements in place and more in the pipeline(s). These agreements provide more opportunities for countries to interact and trade with one another without barriers to investment and trade. This manuscript discusses regional and international economic integrations in line with VISION-20-20 and the Nigeria economy.

Keywords: Trade, investment, money, economic goals, Africa

*Corresponding author

Adekomi, D.A.

Email: adedayo.adekomi@uniosun.edu.ng

¹Department of Anatomy, College of Health Sciences, Osun State University, Osogbo, Nigeria

²Department of Medicine, College of Health Sciences, Osun State University, Osogbo, Nigeria

Received: May 31, 2020

Accepted: December 27, 2020

Published: June 30, 2021

Research Journal of Health Sciences subscribed to terms and conditions of Open Access publication. Articles are distributed under the terms of Creative Commons Licence (CC BY-NC-ND 4.0). (<http://creativecommons.org/licenses/by-nc-nd/4.0>).

<http://dx.doi.org/10.4314/rejhs.v9i2.11>

INTRODUCTION

The expectation as well as the utmost aspiration or desire of human beings wherever they find themselves especially in their home country, is to enjoy unavoidable level of good and quality life. Consequently, all nations aspire to accomplish the goals of favorable rapid economic transformation and sustainable development that would ensure that their citizens enjoy better conditions of living in their various communities, regions, and state. The so called developed nations, by most indicators, are positively closer to some of the goals of economic transformation and sustainable development with quality and better conditions of living for citizens.

Nigeria has been working very hard amidst all challenges so as to realize or achieve her vision 20:2020 development plan. The Nigerian rate of development right from independence in 1960 has been a dwindling one. One of the important aims of fighting for, and gaining independence was to ensure self autonomy and asserting development. But for Nigeria, the story has been that of one regime of challenges to another. Politically, the British colonialism created Nigeria with diverse peoples and regions in an artificially political entity. The inconsistencies in the British policy reinforced cleavages based on regional animosities by attempting simultaneously to preserve the indigenous cultures and activities of each area and to introduce modern western political and social concepts. The three regions were used to bulldoze the political arrangement through revenue needs and derivation principles of governance as the preponderant force to determine the future of the nation. The politics of revenue allocation guided the revenue sharing by three regions-North, West and East. From agriculture and population in the North, cocoa in the West, to oil in the East, Bature (1995).

The Nigeria Economy

Oil changed the mentality of Nigerians by shifting production activities from other sectors to concentrate in the exploitation and development of petroleum resources. This is the circumstance that came to be known as the Dutch disease in Nigeria, Bature (2011). Coussy (1989) explained that in West Africa, the result of the existence of the Dutch disease or its absence is non-comparable because we treat neither the concept of the syndrome nor the same happening by the instruments contracted to observe it in the same manner. Various regimes came to pass in Nigeria

with different lingering problems of governance. The president Yar'adua/Goodluck regime launched the Vision 20:2020, aimed at making or ensuring that Nigeria becomes one of the Top 20 most developed countries in the world by the year 2020. Economic Transformation Policy for Nigeria popularly known as the "Vision 20:2020" was constituted to ensure that Nigeria does not remain underdeveloped and a continuously impoverished nation. The idea was overwhelmingly welcomed and embraced by the people of Nigeria and her foreign friends who meant well for the country.

Historically, various regimes in Nigeria outlined some action plans or policies to put Nigeria on the part growth and development. Some, somehow successful, others were failures. Some of the policies were meant to bring improvement in particular sector(s) of the economy, and some were designed to affect positively the entire economy. For instance, several policies on "education" by different government or regimes in Nigeria were put in place with the hope to bring positive results. In Agriculture, the stories were those of aggressive actions to turn around the ugly story of declining agricultural output vis-a-vis low revenue from a historically booming sector and a major foreign exchange earner for Nigeria, beginning from the era of the three regions, to the early years of independence.

The Vision 20:2020 and Nigeria Economy

The Vision 20:2020 is an articulation of the long-term intent to launch Nigeria onto a path of sustained social and economic progress and accelerate the emergence of a truly prosperous and United Nation. Recognizing the enormous human and natural endowments of the nation, the blueprint is an expression of Nigeria's intent to improve the living standards of her citizens and place the country among the Top 20 economies in the world with a minimum Gross Domestic Product (GDP) of \$900billion and a per capita income of not less than \$4000 per annum. Furthermore, Adeyemi (2011) posits that: 'the key goals of the vision that would lead to Nigeria becoming the 20th largest economy in the world include growing the economy from its present value of US\$ 315 billion to US\$ 900billion, and raising the present per capita income of US\$ 1,500 to US\$ 4000'.

By the above analysis, and by the year 2020, Nigeria will have a large, strong, diversified, sustainable and competitive economy that will effectively harness the talents and energies of its people and responsibly exploits its natural

endowments to guarantee a high standard of living and good quality of life to its citizens. Four dimensions were identified for achieving the vision 20:2020 project in Nigeria. According to the policy, the dimensions are:

- a. The social dimension: It requires a peaceful, equitable, harmonious and just society, where every citizens are supported by an educational and healthcare system that caters for all, and sustains a life expectancy of not less than 70 years;
- b. An economic dimension: It has to do with a globally competitive economy that is resilient and diversified with a globally competitive manufacturing sector that is lightly integrated and contributes not less than 25% to the GDP;
- c. The institutional dimension: This is a stable and functional democracy where the rights of the citizens to determine their leaders are guaranteed, and adequate infrastructure exist to support a market-friendly and globally competitive business environment, and;
- d. The fourth one is the environmental dimension: This explains the level of environmental consciousness that enables and supports sustainable management of the God-giving natural endowments to ensure equitable representation for the benefit of present and future generation.

The essence of this plan is to transform holistically the Nigerian state. Following the vision's authentic blueprint, Nigerian people set for themselves a stretch target to transform the lives of the average citizens which by implication, the Nigerian economy would be transformed.

Contrary to popular opinion in Nigeria and contrary to the assumption of the uninformed, Nigeria's economy has greatly improved over the last few years. Currently, Nigeria is rated as one of the 39th strongest economies in the world with regards to GDP. According to the Goldman Sacchs study, Nigeria will be the 13th largest economy by the year 2050. In 2003, Goldman Sacchs identified the BRIC (Brazil, Russia, India and China) as the most rapidly growing economies in the world. Despite the depression of 2001-2002, these economies have continued to grow and by 2011, they were rated among the 10 largest economies in the world. In 2005, Goldman Sacchs identified the next eleven countries (N11), including Nigeria, that will experience the same trend as the BRIC. Nigeria's

economy has since improved. The GDP moved from a GDP of less than \$100 billion in 2000 to \$451 billion in 2012 and \$522 billion in 2013.

Nigeria has grown to become the largest economy in the West African sub-region and is gradually overtaking South Africa in the continent. A comparison of Nigeria and South Africa (Table 2) on GDP indicators reveals Nigeria to be doing better than South Africa on almost all the indicators. There has been a structural change and with the re-basing of the economy in 2010 and the recognition of sectors such as communication and entertainment, the contribution of the different sectors to GDP has now changed. The following are acknowledged: decline of the contribution of agriculture from over 30% to about 20%; growth of the services sector from 25% to about 50%; increase of the contribution of the manufacturing sector from 2% to about 7%.

The contribution from mining and construction has been halved (Silva, 2014). This further reveals that Nigeria has overtaken South Africa in GDP and in gross fixed capital formation. The GDP growth rate is also higher than that of South Africa. These are indications that Nigeria is becoming a bigger market than South Africa.

Reasons for the growth of the Nigerian economy have been adduced to the following:

- a. The high rate of population growth. This has given rise to a great number of consumers as well as disposable income (Euromonitor International, 2008).
- b. The structural change in the pattern of production as well as emergence of new products and services as has been witnessed in the communication and entertainment sectors in Nigeria.
- c. There are also noticeable changes in the pattern of consumption and in technological innovations in Nigeria e.g. the purchase of cars and the growth in the fast food industry, etc.

This growth in GDP does not indicate the citizens have better quality of life. In fact, the GDP per capita and the purchasing power parity suggest that the citizens of South Africa have better quality of life, since these are higher. This has implications for development and education. This trend and the forecast by Goldman Sacchs in 2005 that Nigeria will be in the N11 led to the government of President Shehu Yaradua coming up with the Vision 2020. Nigeria, therefore, requires a GDP yearly growth rate of about 10% to move the latest GDP figure of \$521,803 billion to \$900 billion by the year 2020,

which is the target of Vision 2020.

Nigeria is increasingly assuming an important position as one of the leading markets of the world. Consequent on this, the Federal Government adopted a more holistic and inclusive strategy to transform the Nigerian State (National Planning Commission, 2009). In the recent past, Nigeria had attempted to drive the attainment of her national aspirations through the adoption of several reforms and long term strategic plans. These include: the Poverty Strategy Reduction Papers, National Economic Empowerment and Development Strategy (NEEDS I & II), Nigeria's Strategy for Attaining the Millenium Development Goals and the Seven Point Agenda. Vision 2020 brings together the principles of the NEEDS programme and the Seven Point Agenda in a single long term strategic plan.

The Vision statement is that Nigeria will have a large, strong diversified, sustainable and competitive economy that effectively harnesses the talents and energies of its people and responsibly exploits its natural endowments to guarantee a high standard of living and quality of life to its citizens. In concrete terms, the vision is to place Nigeria in the league of the top 20 economies of the world with a GDP of \$900 billion and a per capita of \$4000 by the year 2020. This is translated into two major objectives:

1. Optimize her human and natural resource potential to achieve rapid and sustained economic growth, and;
2. Translate economic growth into equitable social development that guarantees a dignified and meaningful existence for all her citizens.

To achieve this, strong structures and mechanisms were put in place to drive the vision. These rested on three pillars: guaranteeing the productivity and wellbeing of the people; optimizing the key sources of economic growth and fostering sustainable social and economic development.

How the Vision 20:2020 can Accelerate Regional and International Economic Integration in Nigeria

There are three strategies for realizing the Vision 20:2020. The three strategies as obtained in the document are:

1. The creation of a platform for success by urgently and immediately addressing the most debilitating constraints to Nigeria's growth and competitiveness;
2. **a.** Aggressively pursuing a structural transformation from a mono-product economy to a diversified industrialized

economy;

b. Investing to transform the Nigerian people into catalysts for growth and national renewal and a lasting source of comparative advantage and;

c. Investing to create an environment that enables the coexistence of growth and development on an enduring and sustainable basis.

3. Developing and deepening the capability of government to consistently translate national strategic intent into action and result by instituting evidence-based decision making in Nigeria's public policy space.

The essence of these strategies is to ensure a successful arrival at a transformed Nigeria by the year 2020. If a keen observation is taken at Nigeria in a report prepared by the Economic Commission of Africa countries, Ajayi, (2003), showed that Botswana, South Africa, Mauritius Tunisia and Congo ranked first on performance of macroeconomics, poverty reduction and institutional transformation. While on the bottom ladder are Zimbabwe, Chad, Guinea and Nigeria in that order in Africa. It can be seen that Nigeria's situation was not encouraging at all because it was the last among these groups of nations in Africa. But the changing nature or transformation effort now show that the performance has improved and Nigeria now requires an annual GDP growth rate of not less than 13.8% to achieve the vision 20:2020. This requires a revolutionized action that will provide a pattern of growth rate with the capacity and capability for change. For instance, already, the Nigerian economic growth rate is said to be quite impressive as at the year 2012. The country in 2012 was described as the fastest growing economy in Africa amidst distracting terrorists' attacks that forced the government to go into extra and heavy spending on security. The "Netherland, is presently the 20th largest economy in the world with a GDP of \$642 billion" (Usman 2010). Accordingly, Adeyemi (2011) explained that, for the vision20:2020 to be achieved, the key macroeconomic assumptions necessary are: 'An average crude oil production of 2.5 million barrels per day, crude oil price at US\$ 60 per barrel, real GDP growth rate of 11% per annum, single digit inflation of 9% per annum, nominal exchange rate of N145/US\$, population growth rate of 2.8% per annum, growth in non-oil exports at 30% per annum, fiscal deficit at 3% of GDP per annum, amongst others'.

CONCLUSION

Following the growth rate speed, the performance of the Nigerian economy as demonstrated in recent time is convincing enough that the country could advance to the dream of the year 2020 of the 20 most developed and industrialized nation. Many of the emerging economies such Brazil, India, Singapore have to insist on parts of growth by ensuring levels of good governance and patriotism. Nigeria can easily achieve the development objectives set by the Vision 20:2020 transformation target agenda through careful diversification of the numerous sectors of the economy. The concentration of development attention on a single sector (Oil), over the years has not been a good development strategy for the nation. Nigeria is a country with vast land made up of 934000 square kilometers. Apart from a population of over 170 million people, Nigeria is blessed with a variety of primary resources and other minerals, both oil and non oil such as the abundant deposits of Solid mineral resources. A sure way to development is by harnessing the resources and channeling the proceeds towards the development of other sectors of the economy.

It is only by doing this that output in the economy will change and increase positively to transform the economy. The concept of change in this case is a necessary condition to the Nigeria's

objective. There must be a change in attitudes particularly by eliminating corruption in the society, and a change in the mind sets especially in the way they think about their culture, religion, and education. It will involve a lot energy in workshops, seminars, advocacies, teaching, town hall committees and the introduction of new concepts and ideas into the educational curriculum. All bodies, organizations, professional associations, corporate bodies, financial institutions, labor unions must all rise to the task of brainstorming the way forward for Nigeria to achieve this noble objective of advancement. Nigeria must equally work very hard to better the statues and life quality of its youths so as to have healthy youths with the capacity and capability to propel the nation towards attaining the vision 20:2020 transformation agenda.

Nigeria's foreign policy must not also be weakened, rather it should be strengthened. The relationship between Nigeria and her foreign friends should be widely positive and should wax stronger and stronger every day, every time and every year. The unnecessary domestic distractions should not attract so much attention as to result in the weakening of our external relations which are vital to this transformation program.

How to cite this article:

Adekomi, D.A., Alebiosu, C.O. Regional and international economic integration. *Research Journal of Health Sciences*, 2021, 9(2): 192-196