



UNEMPLOYMENT, INCOME INEQUALITY AND POVERTY: THE HALLMARKS OF THE AFRICA'S LARGEST AND STRONGEST ECONOMY; NIGERIA



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ABSTRACT

Nigeria indeed has one of the world's highest economic growth rates especially from the opening years of the current century. The economy has been one of the vibrant ones as a result of the abundance of human and natural resources in the country, including agricultural and petroleum resources. On the contrary, Nigeria signifies a paradox of the above feats. Unemployment, income inequality and poverty in Nigeria, remain remarkably high despite impressive economic growth. High unemployment rates make personal incomes extraordinary divergent. Income inequality in the country has been worsening ever since as a result of differential access to infrastructure and amenities. Oil wealth has always been unequally distributed in the country favouring urban areas at the expense of the rural areas. Consequent upon these, poverty has been on the increase. As at 2014 the poverty level in Nigeria stood at 63 percent of the population living below \$1 a day. The main reason for this pathetic situation has been corruption and the consequences have been very costly to the nation. Peace has eluded the country with insecurity almost everywhere in the country at the expense of the sustainable social and economic development desired by the citizens of the country. This paper intends to trace the history with a view to explaining the why and how of the problem in the most populous and resources endowed nation of Africa, i.e. Nigeria.

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Keywords: Nigeria, Agriculture, Petroleum oil, Unemployment, Inequality, Poverty, Democracy, Insecurity, Insurgency, etc.

Contribution/ Originality

The papers primary contribution is finding that Nigeria is very much endowed with all the necessary things for the quality living of its large population. Agricultural resources, human resources and petroleum resources abound capable of uplifting the country to the level of industrialization but that has not happened.

1. INTRODUCTION

Nigeria has been the most populous country in Africa, with a population of 140,003,542 people, as given by the National Population Commission following the 2006 nation-wide Population and Housing census. This high population figure gave a picture of 1 in 4 Africans being a Nigerian out of 924 million Africans as at 2006. As at 2014 the commonly cited figure of the country's population is 180 million people. The country has a land mass of 356,669 square miles (923,768 square kilometers), and thus a population density of 145 people per square kilometer. The country was a large oil producer, currently producing more than 2.1 million barrels per day, which placed it the 10th largest producer of crude oil and the 8th exporter in the world. In addition, the country has a huge reserve of natural gas which is not yet to be exploited. It is estimated that Nigeria has over 181 trillion cubic feet of proven natural gas reserves, which makes it one of the ten (10) top natural gas endowments in the world. The Gross Domestic Product (GDP) of Nigeria had been put at \$188.5 billion, by the World Bank, which also gave the per head distribution in the country as \$ 1.188 as at 2006.

The main stay of Nigeria's economy was agricultural produce and solid minerals during the colonial era and that continued to be the case up to 1960s. These included cocoa, cottonseed, groundnuts, palm kernels, coffee, bean seed, hides and skins, plywood and timber log, etc. There were also petroleum oil, iron and steel, limestone and coal, etc.

The petroleum industry was less important in the economy until in the 1970s despite the establishment of the first refinery in 1965 situated in Port Harcourt. The industry at the time was in the hands of the private investors such as the Mobil Oil Company and the Shell BP among others. It is on record that as at 1960 oil production was only 17,000 barrels per day, while in 1966 it increased to 450,000 barrels per day. [Otoghagua \(2004\)](#) by the mid 1970s the oil sector became the most important in the economy of the country. Earnings from the sector rose from 510 Million Naira in 1970 to 1.9 Billion, to 8 Billion in 1977, falling slightly to 5.4 Billion in 1978 and rising again to a record level of 13.5 Billion Naira in 1980, before a dramatic fall of the earning in 1982 and 1983 which were 9 and 8 Billion Naira respectively. [Onoh \(1983\)](#) thus from 1973 to 1983 Nigerian leaders were convinced that the problem of the country was not money but how to spend it, and that was when both the military and the civilian leaders concentrated on mere expenditures of oil wealth. This was exactly when oil prices increased more than tenfold i.e. from \$3.561 per barrel in 1973 to \$40:00 per barrel in 1981. [Ekuerhare \(1984\)](#) but, to everyone's dismay this unprecedented wealth was not used properly for the development of the country and the majority of its citizens continued to suffer untold hardship as a result of extreme poverty and deprivation simply because the money was not only mismanaged but also stolen and siphoned away in foreign banks.

1.1. The Place of Petroleum Oil in Nigeria's Economy

At independence, unlike many African countries, Nigeria had a viable economy considering the above agricultural and mineral resources as well as being the most populous country in the

continent of Africa. As time went on petroleum oil was allowed to dominate Nigeria's economic landscape with agriculture being relegated to the background.

Agricultural sector was the backbone of the economy up to 1970s because it contributed over 70 percent of the total Growth Domestic Product (GDP), and over 60.0 percent of the total export earnings. [Central Bank of Nigeria \(1986\)](#) agriculture also employed the bulk of the country's labor. But by 1983 agricultural output constituted only 3.1 percent of the total export of Nigeria. This indeed was as a result of serious neglect of the sector by the Government owing to the availability of petroleum oil and the money accruing to the country like a dream.

1.2. Era of Prosperity

The unprecedented wealth Nigeria realized during the Oil Boom Era 1973-1983 led to serious corruption in the country. That was the period known in the history of Nigeria as the era of 'public investment' where a total amount of 36 Billion Naira was expended as at 1984 in various Government institutions including banking institutions, insurance companies, assembly plants, petroleum establishments, etc. This was the period when Government contracts and supplies as well as massive employment were the order of the day, which in the process corruption found solid base among Government officials, politicians and the military officers. It was this country that was among the 50 richest countries of the world in the 1970s. [Igbuzor \(2009\)](#) on July 30th 1975, the new Head of State, General Murtala Ramat Mohammed, said that General Gowon was deposed because, "despite the resources available to the country, the aspirations of the people were not being met" ([Ojiako, 1979](#)) Writing on Nigeria, Ayida said the one mistake of almost all the military administrations in Nigeria was their excessive preoccupation with the economic mismanagement of their predecessors without being able to improve on their performance. [Ayida \(1990\)](#) he was lamenting on the scale of corruption in Nigeria saying that empires and nations fall sometimes by the accidents of history but sometimes by a combination of forces outside the control of those affected. To him such forces include bribery and corruption as well as inept leadership. Ayida has said by 1990, it was thirty years after independence but there was no visible evidence that we have learnt from the lessons of experience. Today the Nigerian economy can no longer pay its way as in the pre-independence days and the path to a virile nationhood remains a mirage. To some of us it has been like a bad dream, that this nation that was so financially stable and buoyant, could accumulate external debts of over 23 Billion dollars which she could no longer service.

Ayida was particularly dismayed not as to why the country could not pay the debt despite the huge money it was making out of petroleum sales, but why it depended on one easy source of money (crude oil) neglecting the traditional agricultural areas and local industries.

Earlier in 1983, when he was being sworn in for the second term, President Shehu Shagari acknowledged the magnitude of corruption during his stewardship in the first tenure. He said,

The mounting rubbish of corruption just has to be cleared and our society sanitized and made more human.... Under the new dispensation, emphasis will be placed on higher standard of discipline, probity and efficiency in the conduct of public affairs. ([Otoghagua, 2004](#))

The conceding of the prevalence of corruption by the President during his administration was necessary as it was evident that his “regime inherited a colossal sum of 5.6 Billion Naira from General Olusegun Obasanjo, which by 1981 had gone down to the mould.” [Otoghagua \(2004\)](#) the general conclusion made as regards to the disappearance of the money was mismanagement of the economy because the Government at the beginning had a solid financial base. Coupled with the financial base of the Government, was the high price of crude oil worldwide as well as the large quantity the country was producing every day. As at 1981, two Million barrels of oil per day was being sold at \$40 per barrel, which means the Government of Shehu Shagari realized \$80 Million per day through petroleum oil only. It was however, reported that by 1982, bills and salaries could not be paid, food prices went up, etc that forced the Government to introduce import restrictions, which did not work well, but instead the Government yielded to massive importation of almost everything including food items that were supposed to be produced in the country.

In fact, one can affirm that, in so far as the revenues accruing to the country were not effectively used for social and economic development of the country, greater poverty must prevail. As Phillip said,

The unequal distribution of wealth among the different sectors in the society ensured that the revenue from oil products did not have positive and enduring impact on the lives of the generality of the Nigerian peoples, and as a result of that, the rich merely got richer while the poor remained poor or eventually got poorer. ([Phillip, 2002](#))

In an emotional manner, Phillip cited the gravity of the Nigerian canker worm statistically, saying that it has been estimated that over the decades, the sum of 98.8 Billion dollars has been illegally stolen and hidden away in foreign banks by various Nigerian rulers, their families and acolytes.

From 1999 to date the record-setting revenues that accrued to Nigeria was enough to transform the country from non-industrialized to an industrialized one. The amount the Governments realized during the period has been discussed below.

According to Nuhu Ribadu, the former Economic and Financial Crimes Commission (EFCC) Chairman, Nigeria lost some 380 Billion dollars to corruption between Independence in 1960 to the end of Military rule in 1999. [Human Rights Watch \(2007\)](#) however, corruption did not end there, it continued up to the present even with a greater magnitude. On the 29th of May 1999, while delivering his speech as president elect of the Federal Republic of Nigeria, Chief Olusegun Obasanjo, said,

Corruption is the greatest single bane of our society today. Corruption is incipient in all human societies and in most activities, but it must not be condoned. ([Otoghagua, 2004](#))

But surprisingly during his tenure, 4 to 8 Billion dollars were squandered annually from 1999 to 2007. [HRW \(2007\)](#) another revelation said that during the eight years of president Obasanjo’s administration, Nigeria earned an estimated 223 Billion dollars, but still between 50 and 90 Million Nigerians lived on less than one US dollar a day per person and per capita income stands at one-

third the level it had reached in 1980. [HRW \(2007\)](#) this, the report concludes, makes Nigeria to have some of the worst social and economic indicators in the world.

The World Bank estimated that as a result of corruption 80 percent of energy revenues, which is the main stay of the economy in the country, benefits only one (1) percent of the population in Nigeria ([HRW, 2007](#)). This is the situation despite the fact that as at December 2006, Nigeria's External Reserves was 46 Billion dollars and 47 Billion dollars by 2007 as announced by the then Minister of Finance of Nigeria. The Foreign Reserves continued to increase since that time, though with fluctuations. But by 2011 that feat has gone down drastically.

Despite the Nigeria's huge oil wealth, abundant agricultural resources and large human population, the country is not yet regarded as rich by the international community. According to statistical data from the Federal Office of Statistics, poverty by 1960 covered about 15% of the Nigerian population, 28% by 1980, by 1985, the extent of poverty was about 46%, and by 1992 it dropped to 43%. But regrettably by 1996 poverty incidence in Nigeria was about 66%, 70% by 2002 and continued to increase up to 2007 when it reached over 72% ([Hoomkwap, 2002](#)). Earlier in 2006 it was said that over sixty million Nigerians lived below poverty line of the United Nations. From that year more and more Nigerians continued to join the wagon of the poor. The poverty level of Nigerians has been given below.

In another development, according to the Chairman of the EFCC, Mrs Farida Waziri, Nigerians ought not to be poor had the enormous resources available to the country is being harnessed for the good of her people by the leaders. She spoke in Maiduguri on Tuesday 22nd March 2011 at the commissioning of the North East zone office where she said economic crimes could lead to poverty, deprivation, diseases and want, adding that the nation has the resources to be great save for corruption, which has eaten deep into the fabric of the Nigerian society. "Nigerians have no reason to be poor because we have all the resources to be great people. Unfortunately, the resources meant for the greater people is usually being pocketed" she declared.

2. POVERTY

Every society was and is still affected by the phenomenon of poverty depending on the nature and magnitude of the scourge. This has been the case since time immemorial, but it has become unbearable in recent decades particularly in African countries and has defied solution.

Poverty is indeed a controversial term in many fields of study. It is seen from several angles and that is why, it is said to be multi-dimensional, multi-sectoral etc. Some people were of the view that poverty is in the eyes of the beholder. [Orshansky \(1967\)](#) some described it as an elephant that could easily be seen but difficult to define. Whatever it is, there is no disagreement that it exists in all societies. It is thus, imperative to give a few definitions of the phenomenon of poverty despite the hardness of doing that.

In simple term, poverty means material deprivation or lack of what is needed for material well-being. It also explains lack or limited access to capabilities that could facilitate long and healthy life, good education, adequate standard of living and meaningful participation in decisions affecting

one's life. Normally, the poor people live below a specified minimum standard because they could not afford the essentials of life that could ensure acceptable standard of living. This makes poverty not only economic but also social in outlook. Any attempt at defining poverty purely on economic issue might not capture all the dimensions of the phenomenon. (Kware and Ahmed, 2012)

World Bank says poverty encapsulates hunger, lack of shelter, being sick, and not being able to go to school, not knowing how to read, not being able to speak properly, not having a job, fear for the future, losing a child to illness brought about by unclean water, powerlessness, lack of representation and freedom. Gafur (2002) United Nations Development Program (UNDP) on the other hand, defines poverty as 'the denial of opportunities and choices for living a most basic or tolerable human life' Gafur (2002) World Health Organization (WHO) sees poverty as "a state of low health status, lack of skills and occupation", while the International Labor Organization (ILO) in 1995 defined poverty as "a spiritual state, which is capable of influencing the physical disposition of an individual' (Fasoranti, 2006) Oluwajenyo further said the manifestations of poverty are diverse, which include starvation, adult and child malnutrition, infant and maternal mortality, illiteracy, poor health, over-crowded and poorly ventilated habitation, squalid conditions of environmental situation as well as voiceless-ness, powerlessness and vulnerability to events and circumstances which place lives and livelihoods in jeopardy. Fasoranti (2006) organization for Economic Corporations and Development (OECD) also defines poverty "in terms of some absolute level of minimum needs, below which people are regarded as being poor, for purpose of social and governmental concern, and which does not change through time' (Peter, 1979) Individuals from all walks of life also defined poverty variously in their own right. It is a situation in which a person is unable to feed himself daily. Some individuals see the concept of poverty differently. There are those that understand poverty as lack of money. No-more no-less. To them with money an individual could buy anything (health -care facilities, sufficient food, provide shelter, educate himself or herself and the young ones, provide potable drinking water, transportation facilities) etc. Some people see poverty from another angle especially lack of participation in decision making in affairs that affect them and other social exclusions.

Some people still comprehend poverty as disasters and obstructions of their sources of livelihoods. It is obvious from the above few definitions of poverty that the phenomenon has always been seen from negative point of view. Indeed poverty has been associated with backwardness, retrogression, deprivation, inequality, humiliation, disability, illiteracy, diseases, etc. These factors no doubt becloud people not to see the positive side of poverty if there were any. The above particulars associated with poverty have ever since been the harbingers for serious negative consequences especially in Nigeria whose socio-economic development has never been sustainable but epileptic, unstable, fluctuating and on many occasions retrogressive.

According to Waziri, poverty remains a problem in Nigeria since independence in 1960 and that successive governments have tried varied efforts to address it with a view to reducing it, alleviating it and/or eradicating it, saying that after over 40 years since independence, this demonic life style has not only remained prevalent among the people, but was believed to be intensifying.

Waziri (2002) the country has been placed as the 20th poorest country in the world. Poverty exists in Nigeria despite the fact that the country ranks 19th Worldwide and 1st in Africa in farm output. In another angle as at the year 2000 only about 1% of agriculture in Nigeria was mechanized. That means greediness and the desire to maintain glory. Many politicians and public office holders seek offices with the sole aim of gaining access to wealth, wealth that would sustain them forever. This is so because even after gaining the wealth, they continue to cling to power just to accumulate more

2.1. The Major Cause of the Three Social Inequalities: Unemployment, Income Inequality and Poverty in Nigeria

2.1.1. Corruption

The most remarkable cause of unemployment, income inequality and poverty in Nigeria has been corruption. Corruption is, The illegal, unethical and unauthorized exploitation of one's political or official position for personal gain or advantage (Phillip, 2002).

It is corruption when a public official accepts, solicits or extorts gratification to execute what he or she must do without such gratification. It is also the display of dishonest, illegal or immoral behaviour using influence in a society to achieve certain aims. In Nigeria corruption manifests itself in several forms. It includes payoffs, kickbacks, gifts, bribery, graft, nepotism, misappropriation of public funds, etc. This probably was why Osoba quoted by Nchuchuwe defines corruption as:

A form of anti-social behaviour by an individual or social group, which confers unjust or fraudulent benefits on its perpetrators, it is inconsistent with the established legal norms and prevailing moral ethos of the land and is likely to subvert or diminish the capacity of the legitimate authorities to provide fully for the material and spiritual well-being of all members of the society in a just and equitable manner. (Nchuchuwe, 2006)

It is the opinion of many scholars that the absence of the necessary checks and balances against corrupt and fraudulent practices among individuals can create a situation in which, the various productive sectors of a society are endemically mismanaged. Nchuchuwe (2006) that means corruption transpires in Nigeria because there are weak mechanisms of checking corrupt practices. In almost all the societies that reduced to the minimal level, corruption, the institutions of checks and balances were established and effectively used. In a situation where culprits involved in corruption are not punished, one must expect its proliferation at an alarming rate. Establishing and justly using the mechanisms would no doubt serve as deterrent to those willing to join in the acts of corruption. It is still fresh in the minds of many people in Nigeria, the arrest and detention of the former Inspector General of Police, Mr.Tafa Balogun, who on November 22, 2006 was jailed for six months for stealing over thirteen (13) Billion Naira of public fund. This shows that corruption was rampant in Nigeria as a whole especially among the wealthy and influential as a result of the absence or ineffective institutions and structures charged with the responsibility of checking corrupt and fraudulent practices. On certain occasions some people want to be prudent and away from corruption, but because those institutions that can uphold accountability, are not there or are ineffective, those people find themselves involved in corrupt practices, because of temptation and

other pushing buttons in the society such as poverty. But as argued elsewhere, whoever engaged in corruption must have a pre-planned intention to do it and whoever had no intention to engage in it could not do it even in the absence of institutions that could uphold accountability.

Corruption is also caused by passion for luxury, in other words by greed. According to Phillip, people seek State power not because they wish to make a contribution to the common good or to improve the well being of all in the society, but because they want to satisfy their greed and oppressive tendencies. Phillip (2002) that means greediness and the desire to maintain glory. Many politicians and public office holders seek offices with the sole aim of gaining access to wealth, wealth that would sustain them forever. This is so because even after gaining the wealth, they continue to cling to power just to accumulate more

Phillip Ujoma says,

The endemic corruption of past governments and public officials ensured that effective planning and executions of national developmental plans could not be attained. Consequently, adequate plans for infrastructural development such as, the provision and maintenance of good road networks, schools, pipe-borne water supply, electricity, etc. were neither carefully set out, nor achieved (Phillip, 2002).

Also Karl Maier, a one-time journalist in Nigeria, in his book, *This House has Fallen: Nigeria in Crisis*, has remarked that the people are not so much governed as ruled and that it is as if they live in a criminally mismanaged corporation where the bosses are armed and have barricaded themselves inside the company safe. He said Nigerian leaders, like the colonialists before them, have suck out billions of dollars and stashed them in Western banks. (Karl, 2000)

According to General Buhari, few months before he was elected as the President of Nigeria, "After the rebasing exercise in April 2014, Nigeria overtook South Africa as Africa's largest economy. He said the country's GDP was now valued at \$510 billion and its economy rated 26th in the world. At the same time, according to Buhari, inflation has been kept at single digit for a while and the economy has grown at an average of 7% for about a decade. He further added that it is more of paper growth, a growth that, on account of mismanagement, profligacy and corruption, has not translated to human development or shared prosperity. A development economist once said three questions should be asked about a country's development: one, what is happening to poverty? Two, what is happening to unemployment? And three, what is happening to inequality? The answers to these questions in Nigeria show that the current administration has created two economies in one country, a sorry tale of two nations: one economy for a few who have so much in their tiny island of prosperity; and the other economy for the many who have so little in their vast ocean of misery. Even by official figures, 33.1% of Nigerians live in extreme poverty. That's at almost 60 million, almost the population of the United Kingdom. There is also the unemployment crisis simmering beneath the surface, ready to explode at the slightest stress, with officially 23.9% of our adult population and almost 60% of our youth unemployed. We also have one of the highest rates of inequalities in the world. With all these, it is not surprising that our performance on most governance and development indicators (like Mo Ibrahim Index on African Governance and

UNDP's Human Development Index.) are unflattering. Buhari concluded that with fall in the prices of oil, which accounts for more than 70% of government revenues and lack of savings from more than a decade of oil boom, the poor will be disproportionately impacted".

2.2. The Consequences of Unemployment, Income Inequality and Poverty in Nigeria

a. Failures of Democracy

Democracy succeeds only when there is enabling environment for it to succeed. A society ridden by the scourges of unemployment, income inequality and poverty cannot have stable democratic governance. Nigeria's democracy has been shaking since 1960s. On many occasions the Military have been intervening in governance, seizing power at will as pointed out above. They stroke in January 1966, July 1966, February 1976, December 1983, August 1984, August 1993 and in 1998. The current democratic dispensation came in October 1999 and since that time the Military have been kept in abeyance. However, the democratic dispensation and the aloofness of the Military however, have not overcome the problems of unemployment, income inequality and poverty in Nigeria, instead they aggravated to an unacceptable level. In that regard we can say that democracy has failed to transform the country from poor to developed nation. But now that a new democratic government has been elected and supported by the majority of the people under the oppositions who have been watching things for more than 16 years, a positive change is insight especially going by the track records of the new President, Muhammadu Buhari.

b. Inadequate/Absence of Basic Infrastructure

There is a general insufficient or absence of the basic infrastructural facilities in Nigeria. These include health care facilities, potable drinking water, good motor-able roads and railway lines, educational facilities and electricity supply. All these things have been in short supply and in some communities total absence.

Poor health is both, a disaster in itself and has damaging knock on effects. It reduces people's earnings potential, often forcing them into debt, increases the burden on other family members, including children and transmits deprivation down the generations. The sudden illness of a family member is one of the most common reasons why a family tips over the edge into a cycle of poverty and debt. (Duncan, 2008)

The struggle against ill health, ignorance and poverty starts in the womb. A quarter of children in the developing world have a birth weight below the critical minimum of 2.5 kg because their mothers are undernourished. Duncan (2008) this resulted mostly as a result of underage marriage by girls who abandoned schools and become mothers at the ages of teens, thereby delivering underweight babies who have a lower chance of survival. Malnourished children are more likely to fall ill, less likely to perform well in school and so less likely to earn a decent income in adulthood. Duncan (2008) world bank has estimated that as a result of corruption 80% of energy revenues benefit only 1% of the population in the country. (HRW, 2007)

c. Insecurity

It is no more new that insecurity is ravaging Nigeria since the return of democracy in 1999 or even before. The cases of kidnapping, assassinations and insurgency are on the increase in the country at alarming rates. The main reasons for the rampant cases of insecurity in Nigeria are unemployment, income inequality and ravaging poverty. Any society ridden by these three things cannot experience the breezes of peace.

In northern Nigeria the most disturbing episode ravaging the region has been the Islamist group now known as the Boko Haram. The group intensified its insurgency from 2001 and by 2015 has claimed the lives of more than 13,000 people. The group has also destroyed thousands of houses and displaced hundreds of thousands, particularly in the northeast of the country. The main reasons opinion leaders and other commentators give for the insurgency have been unemployment, inequality and poverty ravaging the region.

There was the case of the Niger Delta region of Nigeria where kidnapping, vandalism, oil bunkering, etc. were daily occurrences, and which adversely affected the social and economic development of the country. The main reasons for instability in the Niger Delta of Nigeria were exploitation, inequality, unemployment and poverty.

Militancy has been the normal response of the people of the Niger Delta whenever they are aggrieved. The region produces the bulk of petroleum oil the country possesses. But ironically the same region houses the poorest communities in Nigeria having devastated land as a result of oil spillages and other ecological disasters.

Kidnappings for ransom money and assassinations have also been daily occurrences in many parts of Nigeria, especially in the southern parts. The reasons for the sorry state of affairs have always been unemployment, income inequality and poverty.

Buhari has this to say about insecurity in Nigeria. "On insecurity, there is a genuine cause for worry, both within and outside Nigeria. Apart from the civil war era, at no other time in our history has Nigeria been this insecure. Boko Haram has sadly put Nigeria on the terrorism map, killing more than 13,000 of our nationals, displacing millions internally and externally, and at a time holding on to portions of our territory the size of Belgium. What has been consistently lacking is the required leadership in our battle against insurgency".

3. CONCLUSION

Nigeria is a paradox of an economic giant under the sun. As indicated in the paper, Nigeria was proudly endowed with rich agricultural resources coupled with its largest population in Africa; resources that have been the catalysts for any meaningful, sustainable social and economic development worldwide. But from the 1970s the Nigerian leaders found a new ally in petroleum resources and foolishly abandoned agriculture, which had been the main stay of the economy throughout the history of the country. The money accruing from petroleum industry could be said to have laid the foundation for corruption, which is not only an institution in Nigeria but also a big business, considered in this paper as the main cause for the high unemployment, unacceptable

income inequality and the disturbing scourge of poverty. Indeed, poverty in Nigeria has for the past decades as shown in the paper been increasing and is now pervasive, unemployment has reached record level as thousands of our university graduates roam the streets in our towns and cities without jobs and inequality resulting from several distortions has been deepening. It is a general conclusion that the middle classes have almost been wiped out in Nigerian society. The consequences of these ills have been slow democratic process, absence of infrastructure, insecurity, etc, which the newly elected government in the country has to tackle to avert the impending journey toward the disintegration of the country.

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