

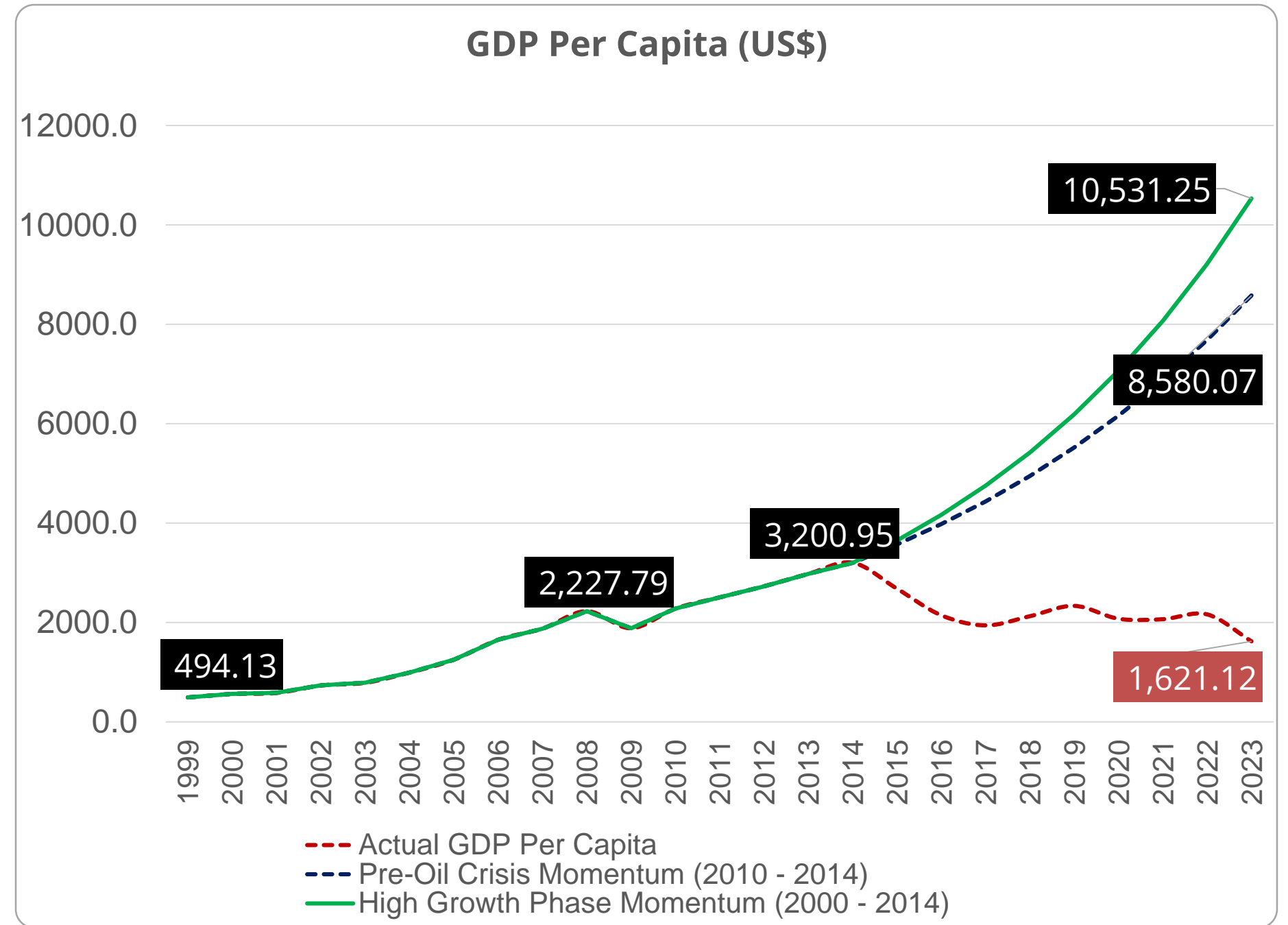
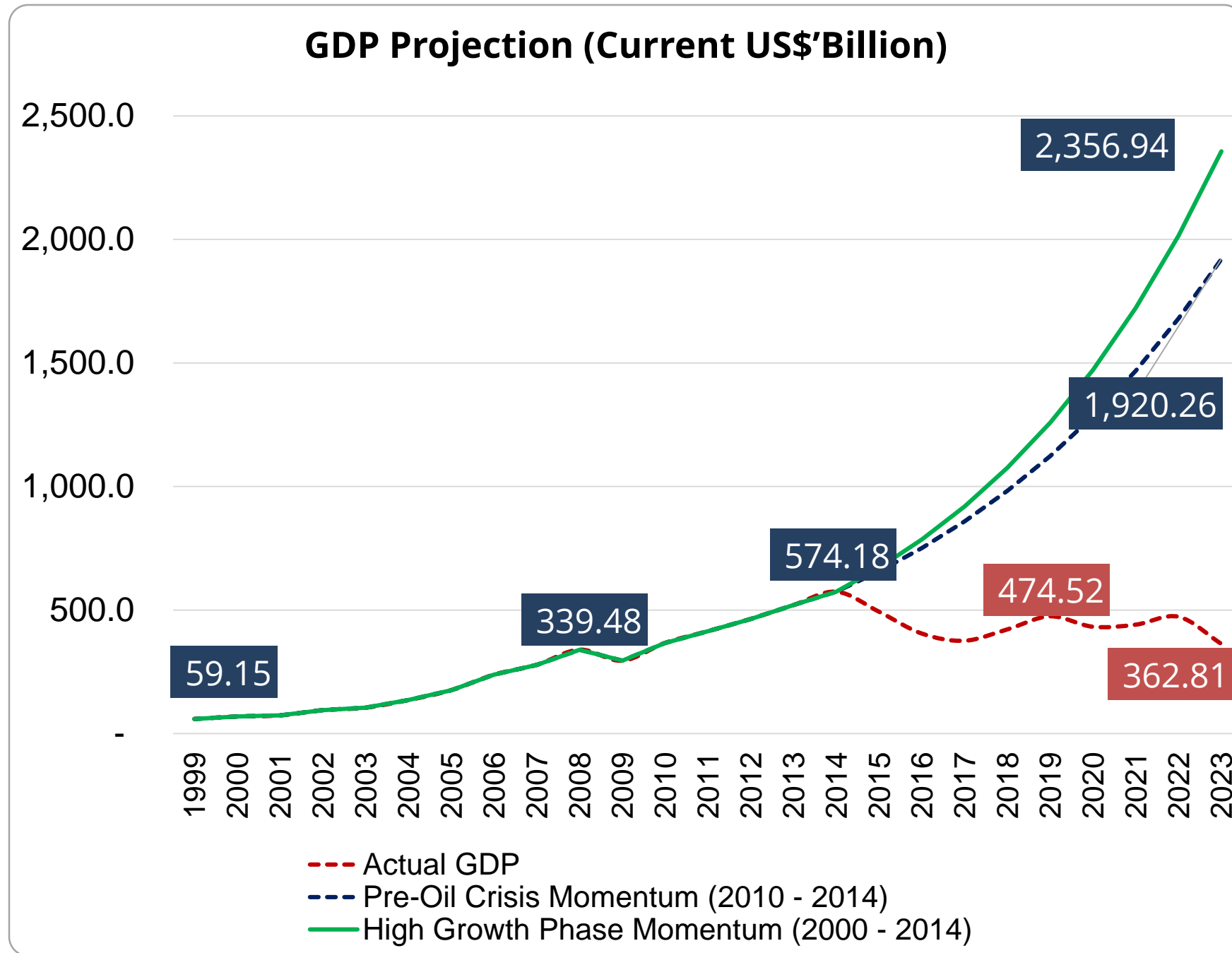


Assessing Economic Evolution: Lessons from 25 Years of Democratic Governance in Nigeria

Olusegun Omisakin, PhD.
Chief Economist, NESG

What Nigeria Missed:

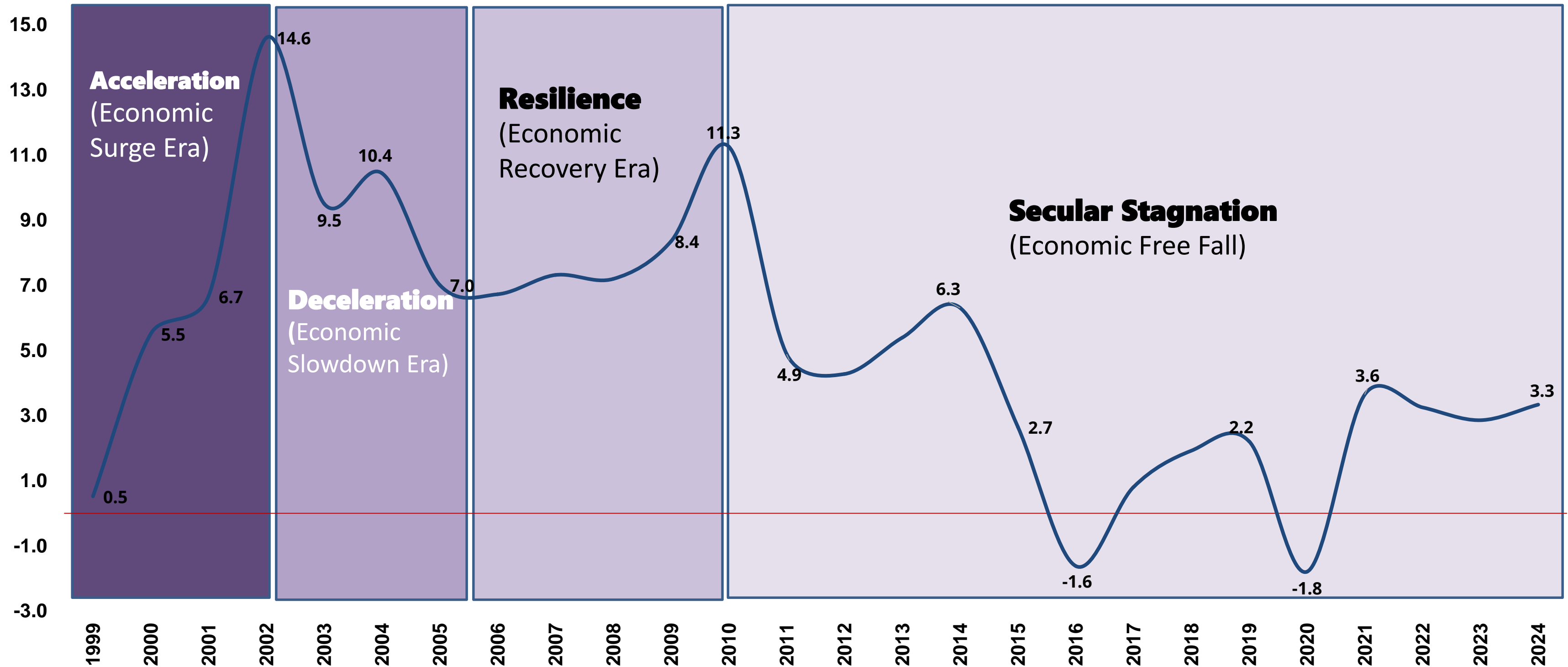
The Lost Potential of Sustained High-Growth Momentum.



Nigeria's 25-Year Economic Evolution In Phases:

The Inverted U-shaped Trajectory

Nigeria's GDP growth (%)



“

CHOPPY GROWTH

While our early stages of economic evolution showcased robust growth, approximately 80% of our economic trajectory since 1999 has been characterised by *intense volatility*.

“

ANEMIC GROWTH

From 2003 onward, the economic trajectory adopted a W-shaped pattern, repeatedly dipping in and out of recession, signaling *prolonged instability*.

Outline

1

Key Drivers that Shaped Nigeria's Development Trajectory

2

The Role of Governance and Strategic Planning

3

Looking Forward: Medium- & Long-Term Economic Scenarios

2 Key Drivers That Shaped Nigeria's Development Trajectory.





The Bane of Limited Economic Diversification and Innovation

From a \$574.2B economy in 2014 to \$363B in 2023. What Happened?

Tripartite Traps of Productivity in Nigeria:

Mutually reinforcing interconnected structural rigidities.



01

02

03

GROWTH & PRODUCTIVITY GAP

Economic growth requires advancing production complexity—changing what is produced and how it's made.

INNOVATION DEFICIT

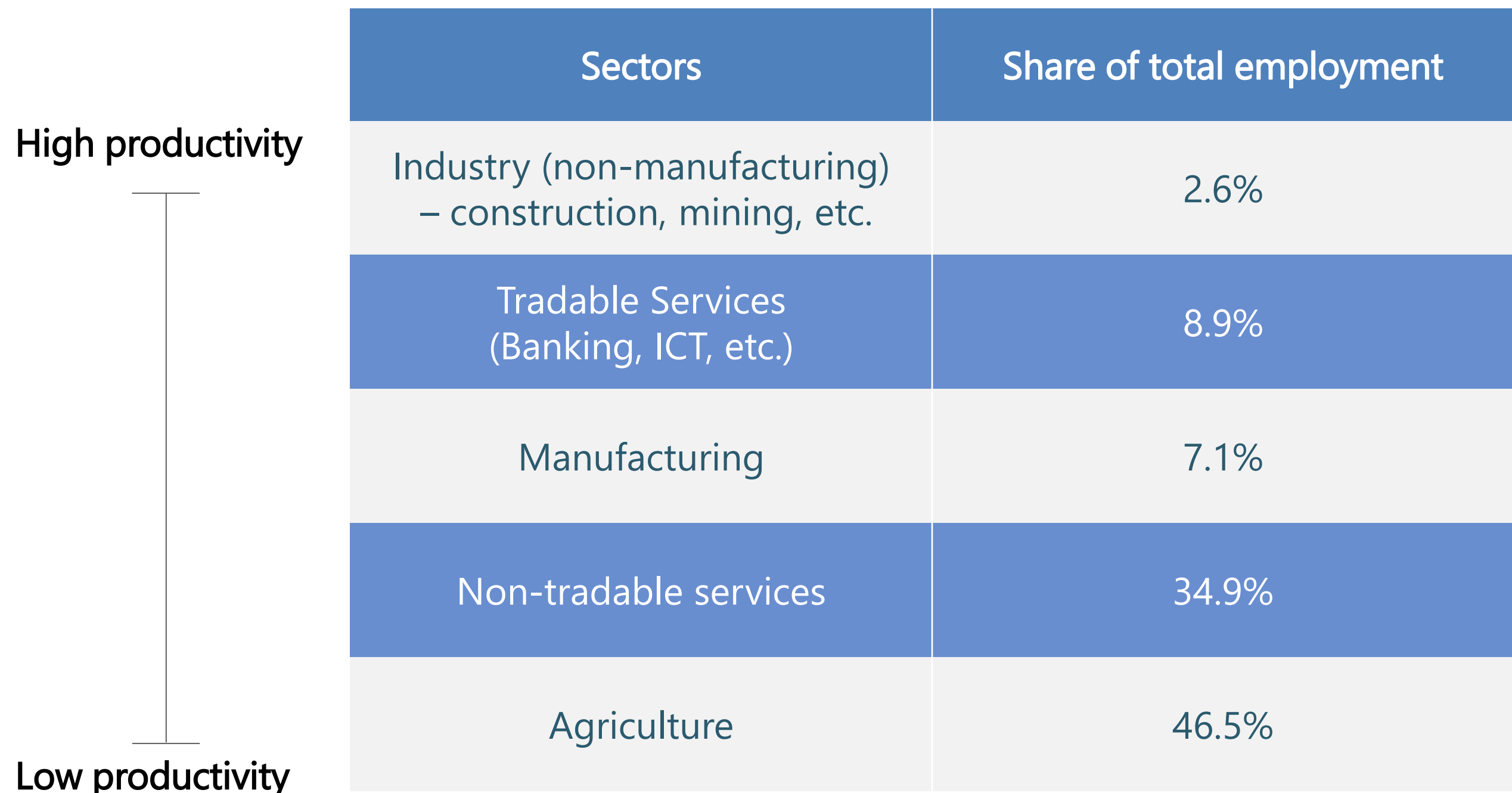
Limited product innovation across sectors weakens diversification, maintaining heavy reliance on the oil sector.

DEPENDENCY RISK

Despite diversification efforts, Nigeria's economy remains over 60% dependent on oil, heightening vulnerability to external shocks.

Implications for Job Creation and Productivity:

The Least Productive Sectors Employ the Largest Share of Workers



Data Source: NESG Research, Excerpt Wilson Erumebor (2023) computed from ETD

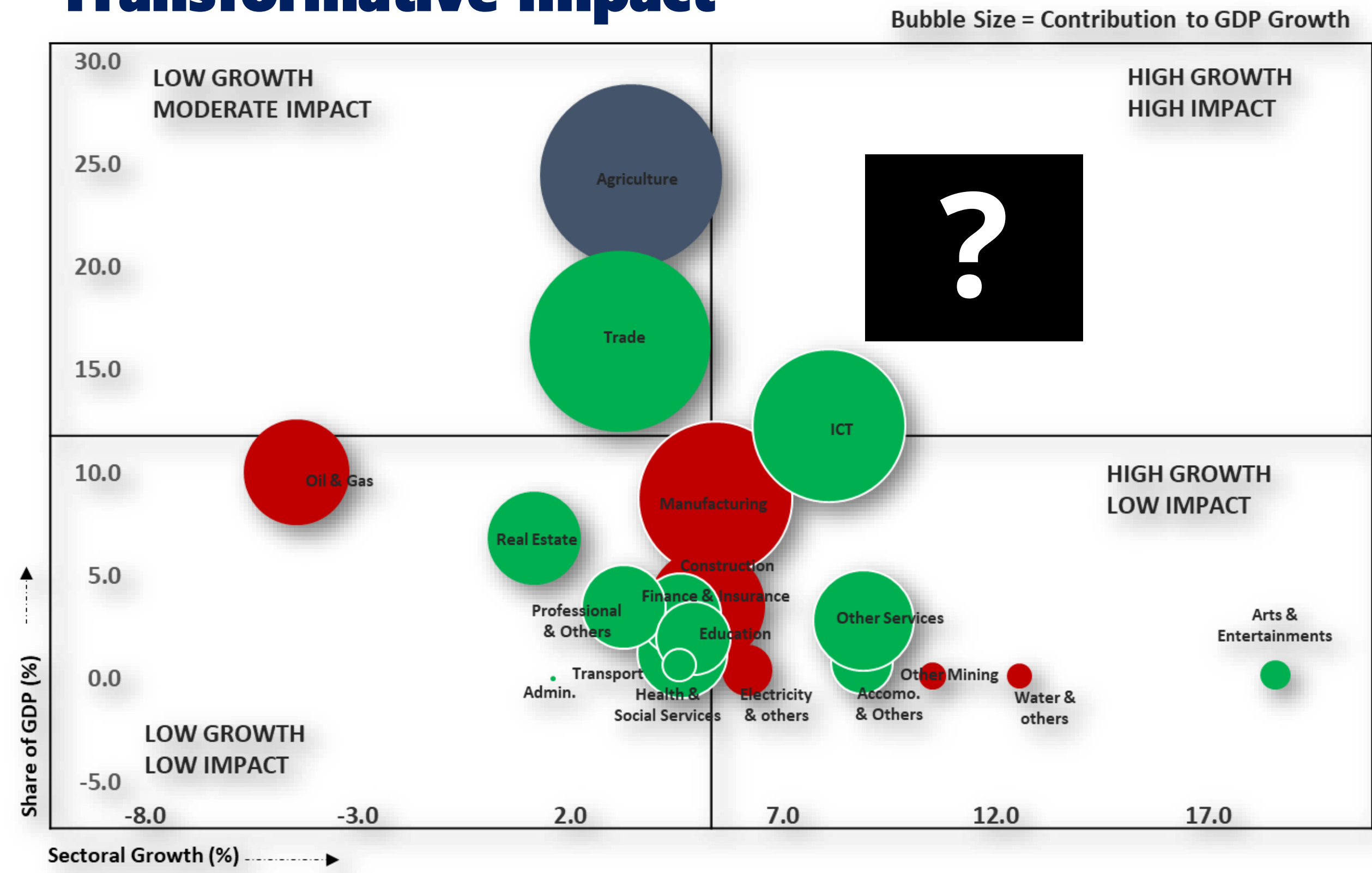
*Agriculture and non-tradable services account for the highest share of labour - **81.4%**.*

***92%** of Nigerian workers are in low-wage jobs*

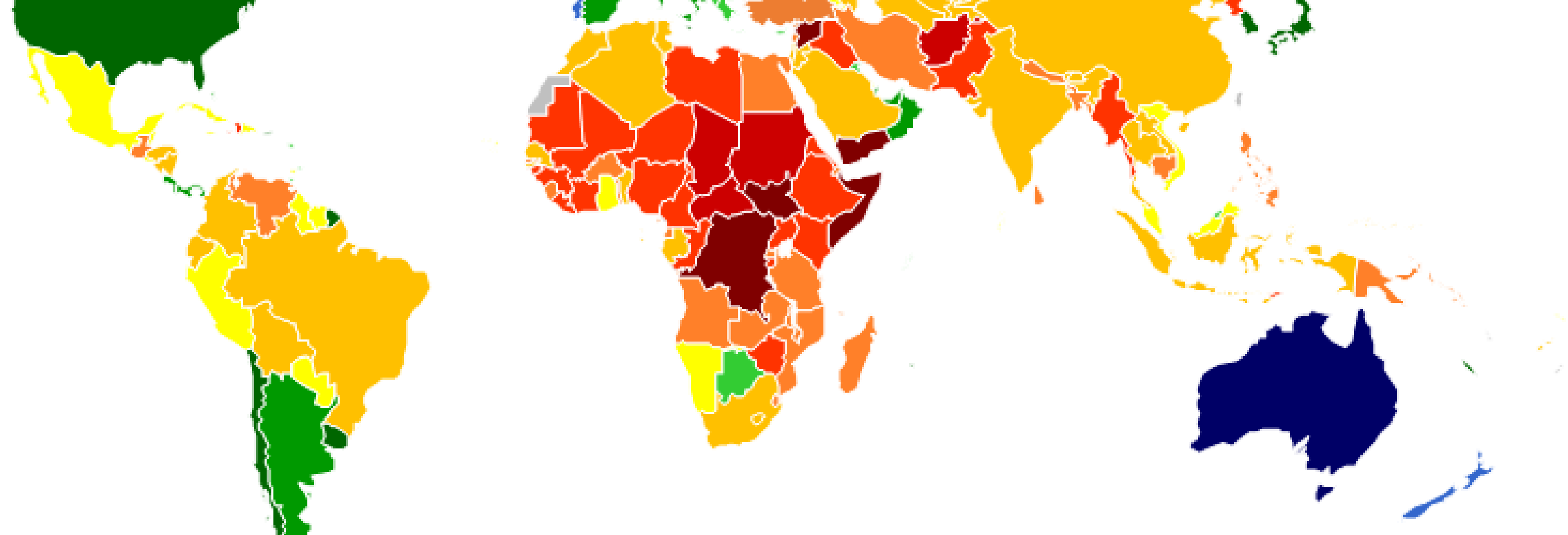
The jobs that will lift people out of poverty do not exist in large numbers.

Sector Performance Falls Short of Driving Transformative Impact

Nigeria's Sector Growth-Impact Matrix (2011-2023)



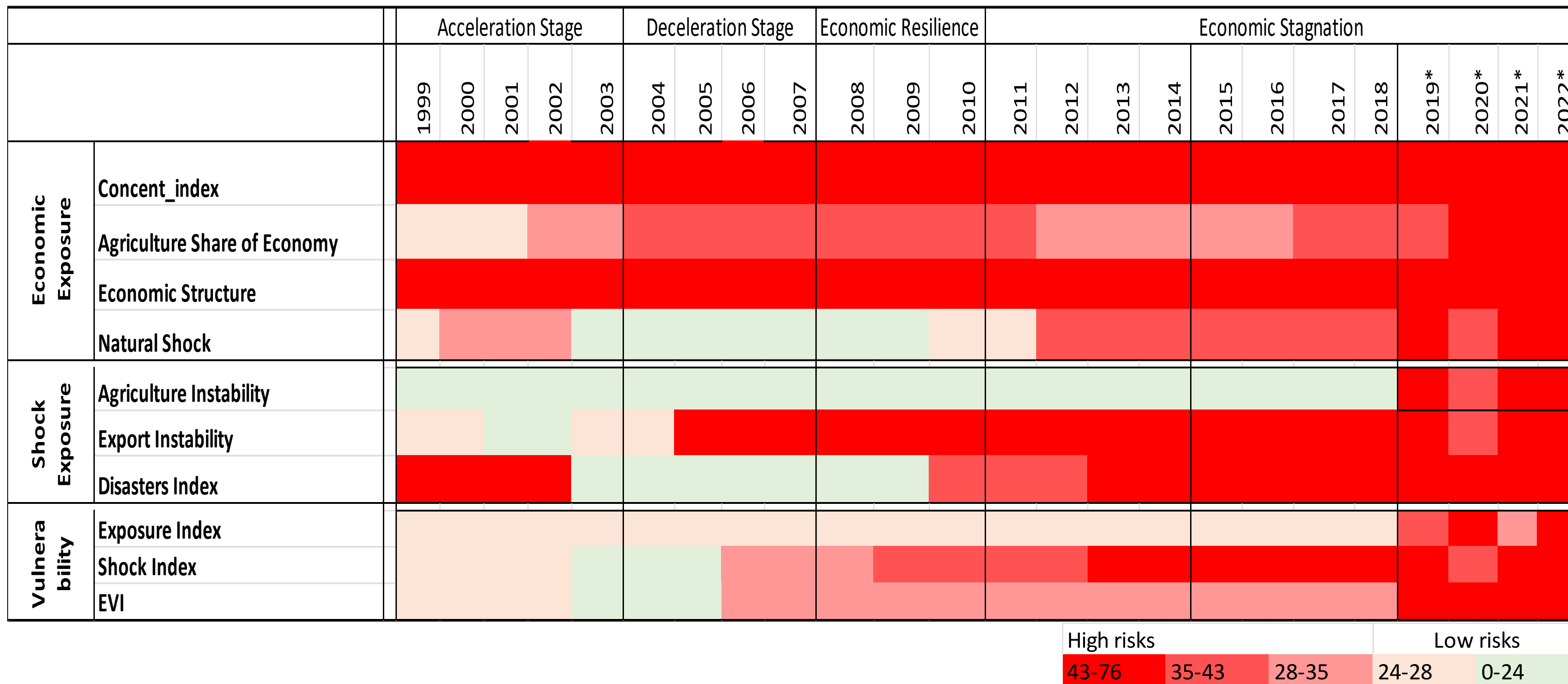
Data Source: CBN, NBS



External Shocks and the Challenge of Economic Fragility

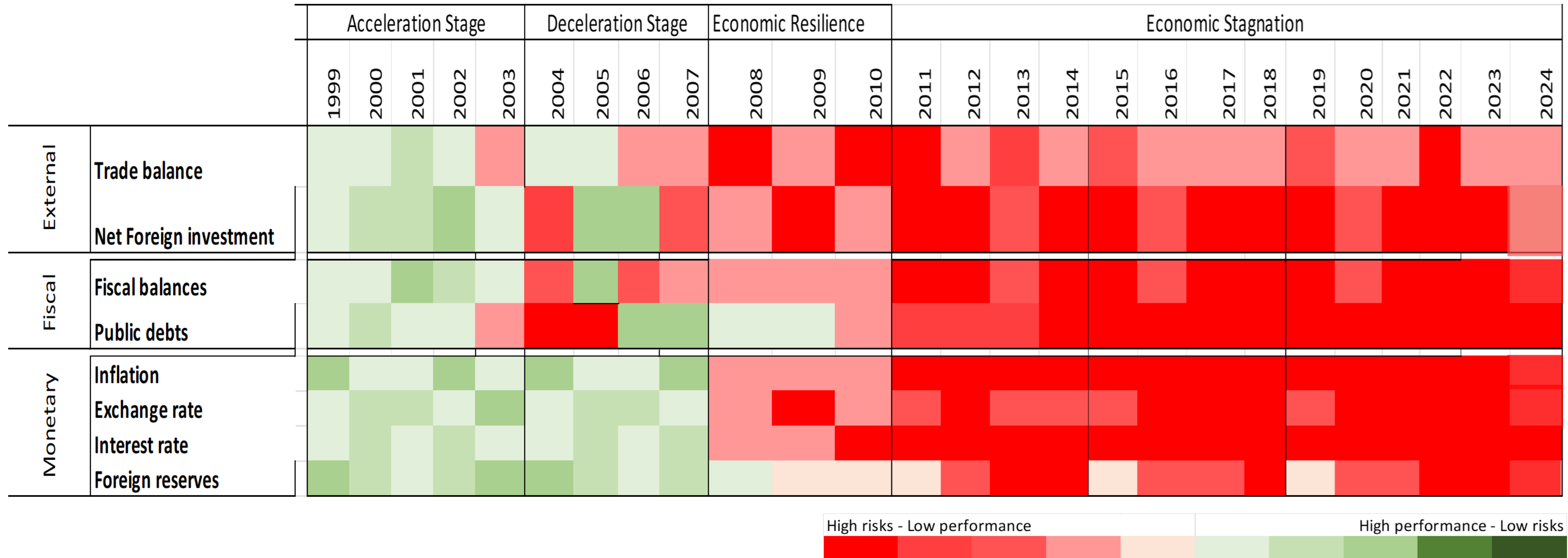
Around 50% of our GDP losses and socio-economic impacts stem from external shocks and economic vulnerabilities.

Nigeria's Economic Exposure and Vulnerability Evolution



Nigeria's Macroeconomic Instability Evolution

Macroeconomic Instability Heatmap





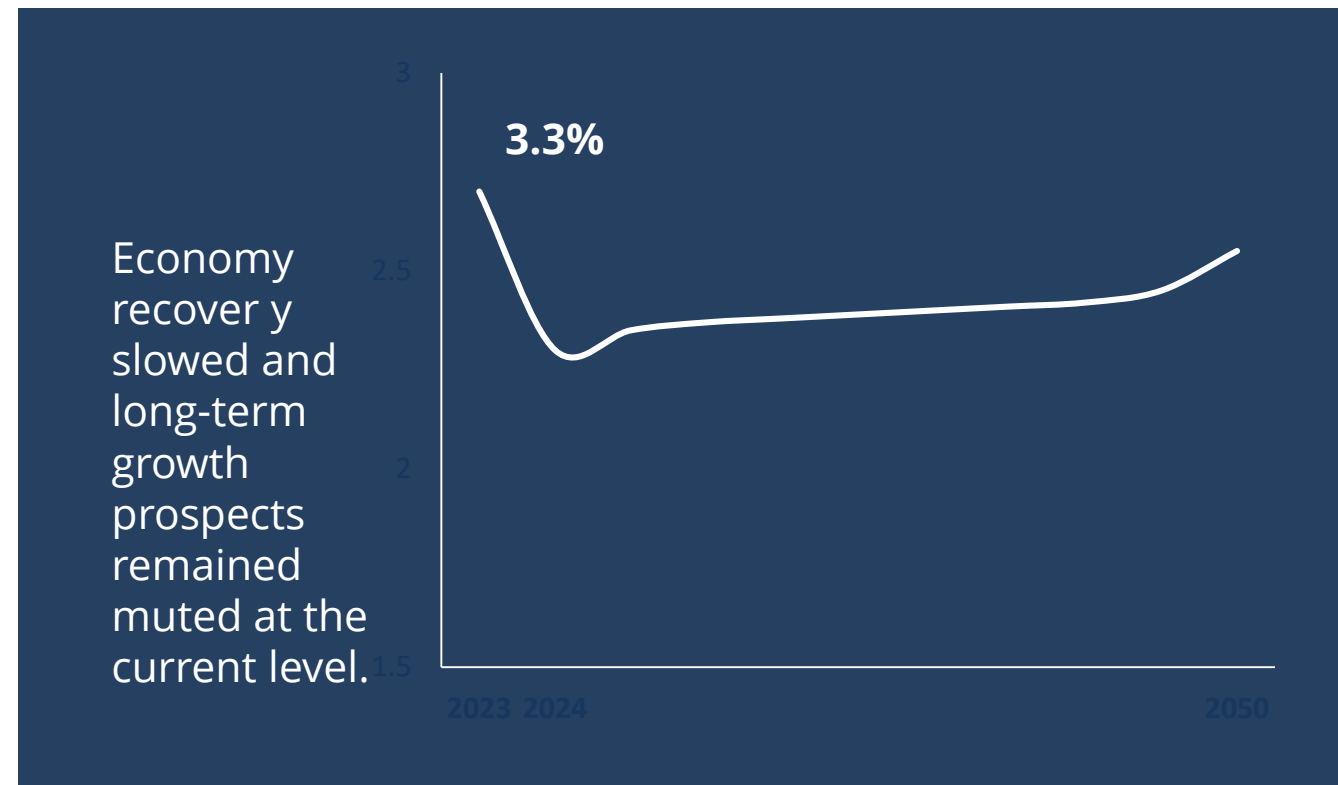
Governance as a Catalyst for Economic Resilience and Growth

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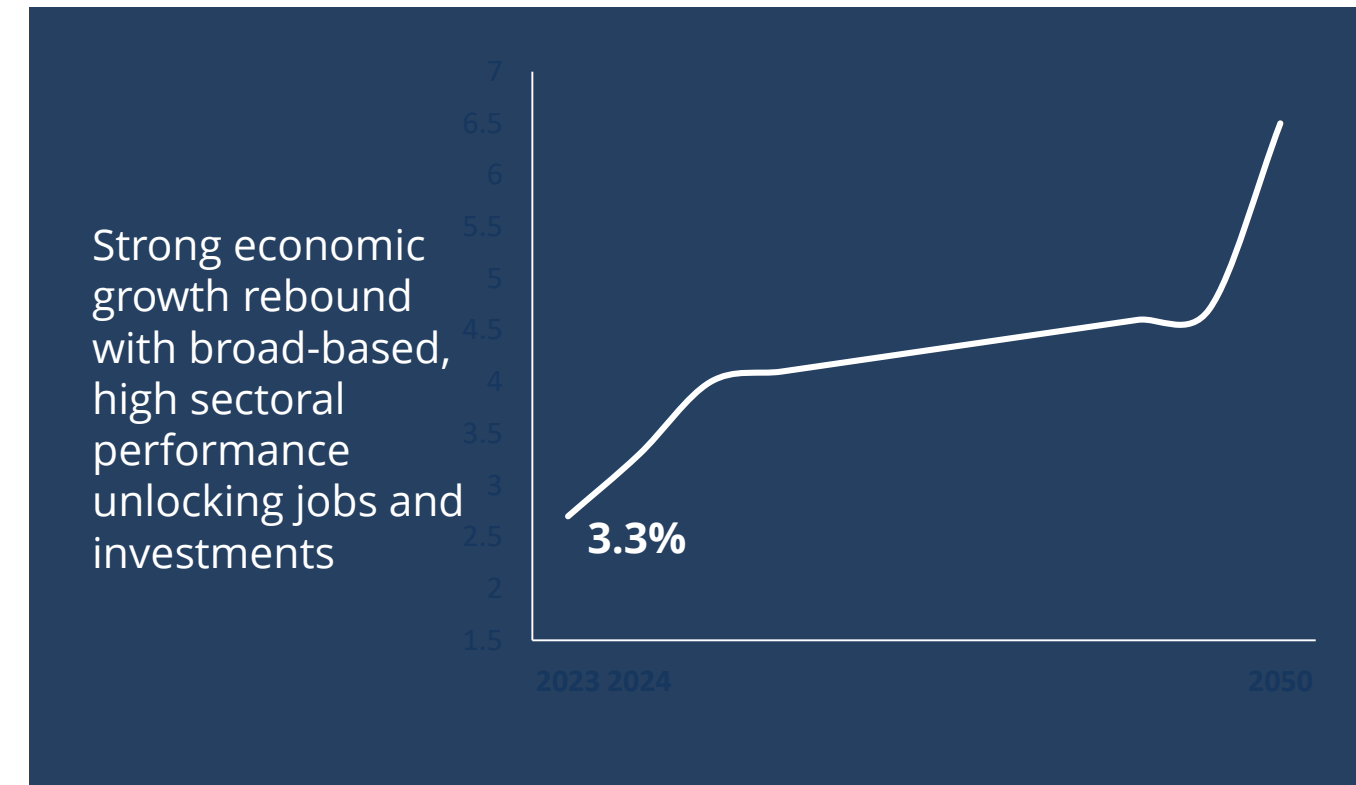
Navigating the Future of Economic Growth:
Medium- & Long-Term Economic Scenarios

Medium- & Long-Term Economic Scenarios

Status Quo Continuation



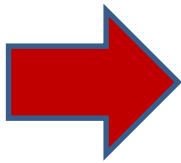
Strategic Revitalisation



Nigeria Becomes More Strategic and Competitive Among Global Peers

World's Largest economies (measured in USD)

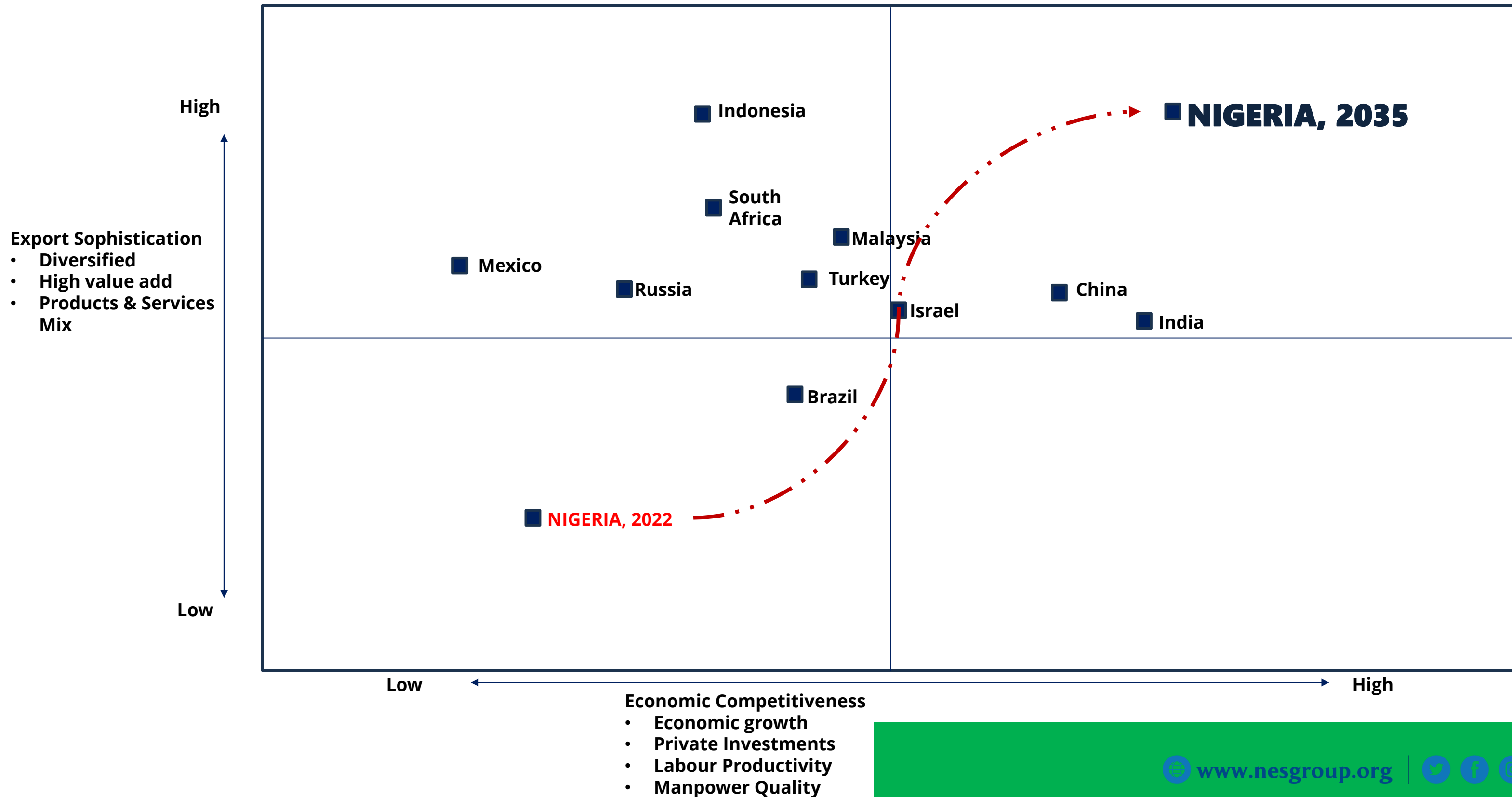
Ranking	1980	2000	2022	2027	2030	2035
1	United States	United States	United States	United States	United States	China
2	Japan	Japan	China	China	China	United States
3	Germany	Germany	Japan	Japan	Japan	Japan
4	France	United Kingdom	Germany	India	India	India
5	United Kingdom	France	India	Germany	Germany	Germany
6	Italy	China	United Kingdom	Canada	Canada	Brazil
7	China	Italy	France	France	France	France
8	Canada	Canada	Canada	Brazil	Brazil	Canada
9	Argentina	Mexico	Italy	Italy	Italy	Italy
10	Spain	Brazil	Brazil	United Kingdom	United Kingdom	United Kingdom
	Nigeria (28)	Nigeria (46)	Nigeria (29)	Nigeria (20)	Nigeria (15)	Nigeria (12)



Aspirational Peers

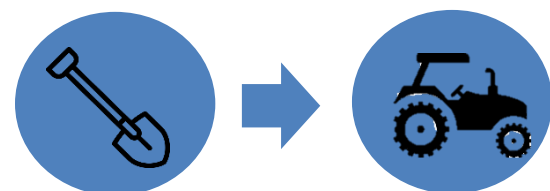
Structural Peers

Nigeria is Highly Rated for Quality of Economic Outcomes & Manpower



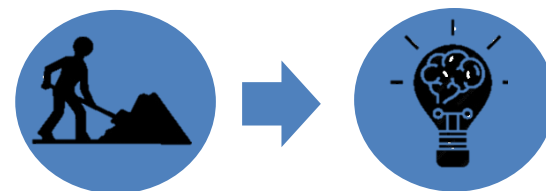
What are the Pathways to a Better Nigeria?

Creating Economic Transformation & Inclusion



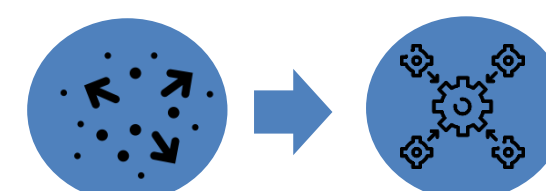
Export Diversification & Sophistication Strategy

Positioning Nigeria as a global export hub and champion of AfCFTA regional integration.



Innovation & Digital Transformation Strategy

Establishing Nigeria as a global innovation centre and exporter of knowledge-based products.



Sub-national Economic Integration Strategy

Cultivating competitive and sustainable regional and sub-national economies.



Thank You