

## Rethinking the Economic Implications of Leadership Deficit in Nigeria

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### Abstract

This study interrogates the economic implications of leadership deficit in Nigeria. From time immemorial, national development which is largely hinged on economic development has been a major discourse among scholars, while economic development has been one of the relevant goals of the less developed countries. One of the major reasons adduced for a truncated national development in Nigeria is leadership deficit. Political leaders who are at the center of determining strong economy have failed repeatedly in their policies, they amass wealth for themselves to the detriment of the people, therefore painting themselves as national capitalists. Given that leadership in Nigeria is deficient, it in turn reverberates inimically on her national development. In this vein, this paper historically examined how herculean is the effect of leadership deficit on Nigerian economy and the extent to which it could be remedied. Through the use of textual data and thematic analysis, this paper draws the nexus between leadership and development and also deduces pathways for a vibrant Nigerian economy.

**Keywords:** Leadership, National Development, Economy

### Introduction

The base upon which a society stands is the economy. The crux of national development is developed economy, which is largely determined by leadership. A far-reaching transformation of society's economic, social and political structure of the dominant organization of production, distribution and consumption is national development. Evidently, national development is unattainable without buoyant economy. Nigeria has been internationally recognized as one of the Less Developed Countries (LDCs) which is directly related with her leadership failure to strategize means to establish a developed economy.

Gauba (2012) opined that the idea of development itself was not new,.....it is a process in which a system or institution is transformed into stronger, more organized, more efficient and more effective form so that it proves to be more satisfying in terms of human wants and aspirations. It could be conceived as the transition from simple to complex forms, from less efficient to more efficient forms, or from ordinary to better forms. The condition of a society in terms of its distance from that goal may be described as the level of its development. Considering the level of Nigeria's economic development since *annus mirabilis* (*year of independence*), it has been less

efficient; less effective; unsatisfying; more of depreciating than stagnant; and less developed compared to other nations who gained independence after Nigeria, such as Singapore. To majority of scholars, military interventions in Nigerian politics have done more of harm than good to Nigerian economy. The loot of the likes of Sani Abacha and Ibrahim Babangida are good examples.

Whatever has to do with production, distribution and consumption of goods and services of a given country, geared towards the accumulation of national wealth in terms of Gross National Product (GNP) and Gross Domestic Product (GDP), Human Development Index (HDI) and People's Per-capital Income (PPI), importation and exportation, coupled with industrialization and innovation in order to establish affordable standard of living for the entire citizens both home and diaspora is Economy. The question this paper seeks to answer is - what are the economic implications of leadership deficits, and to what extent can it be remedied?

### Methodology

This paper adopts the qualitative research paradigm. This paper adopts textual data obtained from secondary sources like scholarly texts and other official documents. Content

analysis through thematic organization is adopted as the method of analysis, upon which conclusions are drawn about the economic implications of leadership deficit in Nigeria.

## **Literature Review**

### **Conceptual Framework**

As it will be apparent from what follows, the study of leadership has largely been dominated by scholars and practitioners working in management and organizational science, psychology and other related disciplines (Lyne de Ver, 2008). However, it has hardly been a central concern of political scientists (Peele, 2005), economists or development theorists. Most literature on leadership of which are of the Universalists, Western-oriented and individualistic does not explain leadership from the political and developmental perspective. Leadership involves a leader who has the wherewithal to influence people to do certain tasks. Ujo (2001) explained leadership from the social contract theory perspective, when he addressed leadership to be a product of organized societies, of which the majority can only lead by selecting a few to lead from the options available to them. Evident in Ujo's (2001) explanation of leadership is one of the major context that constitute the burning debate of the credibility of democracy, going by the rational choice theory, in that few who represents the interest of the masses in an indirect democracy being rational humans, tend to protect their personal interest first before any other.

It is interesting to note that both in a state and in a civil organization, leadership stands central, in that it poses as a common authority nexus among the people of a state and the work force of an organization. Omolayo (2005) argued that the extent of successes and failures of a government in the policy performance in terms of output from the political system, and input from the people to the political system, and execution of such policies without difficulties is largely determined by leadership. This holds the key to the management and direction of money, material and ultimately, the critical asset of a nation who happens to be the citizens. He argued that "reasonable and positive societal development is achievable via knowledge, vision, courage, accountability, determination,

transparency, uprightness, motivation and patriotism reflected in the manner of leadership, through which the people can be guided. Similarly, Ukaegbu, (2010) argues that transformational policies and its implementation through purposeful leadership will always ignite developmental changes.

On the concept of development, in economic terms, development has been understood as achieving sustainable rates of growth of income per capita to enable the nation to expand its output faster than the population. In the opinion of Todaro and Smith (2011), this definition fails to take into consideration problems of poverty, discrimination, unemployment, and income distribution; the assumption being that increased output or economic growth would deal with these issues. Economic growth, a high living standard, and the level of industrial development in tandem with indicators such as free education, long life expectancy, sound health-care etc. have often been used, especially by Western Sociologists, as indicators of development. Those countries that have not yet achieved these objectives are said to be undeveloped and are often termed Less Developed Countries (LDCs). These definitions of development, though comprehensive but ethnocentric, reflect the view that Westernization is the only worthwhile and desirable direction development should take. However, other sociologists opine that liberation from oppression is more important than industrialization. In the same vein is the idea that industrial development is needless if it serves at the expense of increasing social and economic unity within a country.

The views on development above present development as material or social change in the material world. Myers' religious perspective views development as a total transformation of the social, material and spiritual aspect of human life for the better. Drawing from Torado and Smith (2011) submissions on economic development can be summed up in the words of Seers when he asked these three important developmental questions that,

“What has been happening to poverty? What has been happening to unemployment? What has been happening to inequality? If all three of these have become less severe,

then beyond doubt this has been a period of development for the country concerned. If one or two of these central problems have been growing worse, especially if all three have, it would be strange to call the result development, even if per capita income has soared” Seers, (1969).

They agree with Seers and conclude that if the three of these have declined from higher levels, then beyond doubt, this has been a period of development. If one or more of these problems have been growing worse, especially if all three have, then that would be a period of underdevelopment.

Glaringly, drawing from Todaro and Smith's postulation, poverty, unemployment, and inequality, which reflect the wide gap between the rich political elite and the poor citizens are the bedrock of economic underdevelopment. Otherwise, would definitely result in economic development—a rock upon which national development is built (Todaro & Smith, 1969).

#### **Theoretical Framework**

There has been series of theories and models coined by scholars to establish how Less Developed Countries (LDCs) can become more developed especially in term of economy. More so, most of these theories made it clear that economic growth and it strength stands as major in national development. Two of these theoretical pathways (elite theory and dependency theory) shall be used to determine the effect of leadership on Nigeria's economy and how it in turns affects her national development.

#### **Elite Theory and Dependency Theory**

**Elite theory** describes and explains the dynamics of power relations in contemporary societies. The theory posits that a small minority, consisting of members of the political and economic elite and policy-planning networks, holds the most power and that this power is independent of a state's democratic elections process. Through positions in corporations or on corporate boards, and influence over the policy-planning networks through financial support of foundations or

positions with think tanks or policy-discussion groups, members of the "elite" are able to exert significant power over the policy decisions of corporations and governments. The major proponents of this theory are Vilfredo Pareto, Gaetano Mosca and Robert Michel.

Furthermore, political elites, that is, leaders are the ones charged with the creation of means of which development could be attained but has over time failed to do so, rather they in turn twist the policy to suit their egocentric desire. This has made Nigeria to be an economically dependent country. Dependent theory affirmed sundry fact that Leadership deficit is the major reason Nigeria is still an economically dependent country as a result of their failure to get Nigeria industrialized and 'panel beat' her to be a country that produces what it consume and export what it does not consume. Dependency theory emerged in the 1950s from the Economic Commission for Latin America and the Caribbean (ECLAC). One of the major authors was Raul Prebisch.

#### **Good Leadership: An Indispensable Tool for Economic Development**

The epochal contact of the European with Africa, particularly Nigeria, has often been claimed by most Afrocentric scholars to be the cause of the troubling economic state in Nigeria. Contrary to this by other scholars is the opinion that corruption and lack of vision among past and present leaders of Nigeria culminate to hamper any meaningful effort in the quest for good governance and economic development in the country. This critical challenge partly explains why Esu (2001) rhetorically queried “why has the country not been able to produce a nationally accepted leadership.” He therefore argues: “...*the British colonial masters deliberately divided the country into three regions and drew the political map of Nigeria to make the emergence of a nationally accepted leadership difficult...*”

Consequently, some scholars and political pundits have argued that the heterogeneous nature of Nigeria has continued to pose serious leadership threat and crisis to the country. Whatever the argument is, it cannot be denied that leadership stands central to Nigeria's economic development. Thus, present and past leaders of Nigeria seem to have failed to provide

quality leadership capable of addressing numerous economic challenges confronting the country. This is clearly because as Bhagwan and Bhushan (2007) rightly posit “get the right man in the leadership job and all your problems will be solved” Thus, many scholars and practitioners in public and private sectors have noted that leadership is the most difficult and critical aspect of human endeavour.

The failure of imported western models of leadership to solve the socio-economic and socio-political problems of developing countries like Nigeria is increasingly raising questions in the minds of concerned individuals and organizations across the globe concerning the feasibility and importance of these models (Muhammad, 2005). The above position by Muhammad underscores the imperative for good leadership in every human society if economic development is the goal.

Thus, leadership remains the cornerstone for the accomplishment of desired goals in every human society. Such leadership must not only be people-oriented, but also, the leader(s) must administer the affairs of the country in line with the history, cultures, norms, values, yearnings and aspirations of the country. Why most organizations or countries fail in the attainment of predetermined goals is sometimes traceable to the adherence and application of models of leadership alien to the environment in which leaders operate.

Thus, it is logical to submit that the extent of the vision of a country's leadership determines the pace at which such country can develop. This implies that leadership is very important in development-oriented country (Dogo, 2005). In Nigeria, several leadership styles have been experimented such as parliamentary, military dictatorship, democratic system, and rotational system, among others. The euro-centric models of leadership seem not to have provided desired answers to leadership problems confronting Nigeria. Achievements are not evident from the developmental stages Nigeria had passed through. It could, therefore, be concluded that failure of Nigeria in the attainment of desired height could be traceable to the questions posed by Muhammad. Hence, all have not been well with Nigeria in her past 62 years of nation building. This explains why Bill Clinton probed thus: “...can a developing country, blessed with

*enormous human and natural resources thrive in a global economy and lift its entire people? Can a nation so blessed by the nerve and vigor of countless traditions and many faiths be enriched by it (Otoghagua, 2007).*

It is therefore, pertinent to note that what Nigeria is currently experiencing is leadership problem, which is detrimental to her economic development. The western countries that we copy in almost everything we do including governance, now understand that the style of leadership and political systems bequeathed to Nigeria has continued to cascade the country's developmental efforts. It is even disheartening to note that most past corrupt leaders in Nigeria are currently anticipating and scheming to occupy the Number One seat in Nigeria – the PRESIDENCY. Some of these corrupt and dictatorial leaders were unable to administer the affairs of Nigeria to the admiration of the people in spite of huge resources at their disposals.

#### **Historical Analysis of Leadership Problem in Nigeria**

History has shown that no nation in the world grew and enjoyed steady development in almost all spheres of its national life without experiencing good and selfless political leadership (Ogbeidi, 2012). This is mainly because qualitative growth and development has constantly been a product of good governance. However a renowned novelist, Chinua Achebe, in 1984 attributes the root cause of the Nigerian problem to bad leadership. “The Trouble with Nigeria,” Achebe argues, is simply and squarely a failure of leadership. There is nothing basically wrong with the Nigerian character. There is nothing wrong with the Nigerian land, climate, water, air, or anything else. The Nigerian problem is the unwillingness or inability of its leaders to rise to their responsibility, which is the hallmark of true leadership (Achebe, 1984).

Extant literature shows that Nigeria is fraught of poor leadership, corruption and weak bureaucratic institutions. It is an axiom that since attainment of political independent, Nigeria has never been governed by selfless, truly transformational and intellectually endowed leaders. That is, it has been difficult for Nigeria's best sons to attain positions of leadership and mediocre leadership can only

lead to mediocre government without any serious achievement. What has been common over the years in our governance is the enthronement of clueless, parochial, attitudinal debauchery and uninspiring leaders, with attendant formulation of series of ill-informed and poorly implemented policies/civil service reforms; therefore decapitating the service, leading to the exit of dedicated, competent bureaucrats and provided incentives for corruption (Ogbu, 2013). Competent and morally upright leadership engenders strong bureaucratic institutions. The success or failure of any society depends largely on the attitude and competency of its leadership. Current debates rest on the conclusion that Nigerian leadership suffers from extreme moral depravity and attitudinal debauchery (Agbor, 2011; Agbor, 2012; Ezirim, 2010; Ebegebulem, 2009; Ogbunwezeh 2007).

Ineffective leadership and corruption have impacted negatively on Nigeria's democratic stability and her economic development (Ebegebulem, 2012). The majority of Nigerian elected office holders are product of political corruption, they got their party tickets through political godfathers and mandate through election rigging. Corruption is used to acquire and sustain political mandate in Nigeria, leading to grievous consequences of mass poverty, unemployment and insecurity.

Historically, the origin of unethical practices and corruption in Nigeria predates the colonial era. According to a Colonial Government Report (CGR) of 1947, "The African's background and outlook on public morality is very different from that of the present day Briton, as the African in the public service seeks to further his own financial interest" (Okonkwo, 2007 cited in Ogbeyidi, 2012). It is axiom that cases of official misuse of resources for personal enrichment existed before independence (Storey, 1953). Over the years, Nigeria has seen its wealth withered with little or nothing to show in living conditions of the citizens.

Imhonopi and Ugochukwu (2013) are of the opinion that selfish, mediocre, tribal leaders and opportunistic small money-minded people masquerading as leaders have continued to occupy Nigerian leadership since 1960. From Tafawa Balewa (1960-1966) to the incumbent

Mohammedu Buhari (2015-2023), leadership crisis and corruption in the country remain the same. In the literature, many scholars are of the view that Alhaji Tafawa Balewa who ruled Nigeria from 1960-1966 lacked the capacity to display any true vision and chart a progressive course for national development. Tafawa Balewa Government was formed through coalition government and by its nature was weak. He hardly had any serious control over his cabinet ministers because of lack of consciousness of development. He uncritically supported one side in the power tussle in Western Region in the expectation that he would thereby destroy an intelligent opposition party headed by Chief Obafemi Awolowo. The western region crisis he failed to pay critical leadership attention to consumed him at the end. Government officials looted public funds with impunity. Tafawa Balewa did not take any policy position to wipe out the menace. Corruption, avarice and drifting of the country were said to be the reasons middle-rank army officers sacked the Nigerian First Republic politicians from power through a coup d'état on 15th January 1966 (Imhonopi & Ugochukwu, 2013).

General J. T. U. Aguiyi-Ironsi who ruled Nigeria from January to July 1966, neither understood the meaning of politics in general nor was he able to diagnose the specialties of the Nigerian political system whose leadership was placed on his shoulders (Ebegebulem, 2012). He was neither confused nor misled; he was simply incompetent, ignorant and naïve. Uncritically and in a very uncertain situation he opted for a strong central Government through promulgation of unification decree (Unitary system of Government) in a heterogeneous country (Nigeria) where Federalism is most suited.

General Yakubu Gowon who ruled Nigeria from 1966 to 1975 was visionless, he had no plans, and he was apparently the only Head of Government anywhere in the world who had enormous wealth (that came from petroleum which became major source of Nigeria wealth), that he did not know what to do with it. The only vision he had, was of himself being head of state indefinitely and being a good boy all over the world – (He even paid the monthly salary of some islands in the West Indies while his people

had epileptic power supply, no good roads, good water to drink etc.) (Oluwasanmi, 2007). The Gowon administration was corrupt to the macro level. It was also dented with economic mismanagement. Thus, in July 1975, the Gowon administration was toppled by General Murtala Mohammed through a coup d'état. "The coup of 1975, among other things, was an attempt to end corruption in the public service" (Ogbeidi, 2012). He started by declaring his assets and asked all government functionaries to do as well. He instituted series of probes of past leaders. Ten out of twelve military governors that served under Gowon were indicted (of corrupt enrichment) by the Assets Investigation Panel of 1975 General Murtala Muhammed instituted. The guilty governors were dismissed from the military services, and their asset seized with ignominy. His deterministic anti-corruption movement engaged the civil service and 10,000 civil servants found wanting were dismissed.

General Murtala Muhammed's emergence between (July 1975-February, 1976) was revolutionary as well as challenging (Ebegbulem, 2012). He brought a new sense of mission and direction for the country. In fact, his approach to governance was radical. He was unfortunately killed in a failed coup carried out by young military officers, who could not understand his radical approach to governance. The administration was; however, short to provide room for proper assessment. General Olusegun Obasanjo who succeeded Murtala did not show the same zeal, as his erstwhile boss, in the prosecution of wrongdoers. Although, he charted the path General Murtala drew-a new course for democratic governance and constitutional development. "General Obasanjo, however, has a pathological hatred for the intellectuals and did not see any intellectual dimension that is germane to national development" (Ebegbulem, 2012). Ebegbulem further opines that "Obasanjo policy actions were frustrating the Ivory Tower as he starved the universities of funds and began the distortion of the educational institutions through untoward policy action" (Ebegbulem, 2012). Obasanjo installed a second Civilian Head of State – Shehu Shagari. Shagari was mainly characterless. He wanted to be a senator and was given a job – headship of the Federal

Government of Nigeria, which he did not actively seek (Oluwasanmi, 2007).

The Shehu Shagari's administration (1979-1983) was besmeared with economic crisis and leadership crisis. His Government was noted for unplanned purchase of rice, of cement that the ports could not clear for long period of time (Oluwasanmi, 2007). To Ogbeidi, (2012), he claims that more than \$16 billion in oil revenues were lost between 1979 and 1983 during the Shehu Shagari's administration (Ogbeidi, 2012). "It became quite common, for federal buildings to mysteriously go up in flames, most especially just before the onset of ordered audits of government accounts, making it impossible to discover written evidence of embezzlement and fraud" (Dash, 1983). It was apparent that President Shehu Shagari was too weak in his administration of the country, as he could not call his ministers and political lieutenants to order or stop them from embezzling state funds. Shagari was inept, clueless and his administration was characterized by a wild kleptomaniac.

Muhammadu Buhari led a popular coup that again rescued the economy from the grip of corrupt politicians of the Second Republic (Ogbeidi, 2012). Buhari came to power largely to rid the country of corruption. He launched War Against Indiscipline. Under this policy, eradication of corruption was vigorously pursued and consequent upon which many former public officers (state governors and commissioners) were detained, brought before tribunals of inquiry on suspicion of corruption (Aghayere, 1997). The Paul Omu-led Tribunal found most of the politicians guilty and sentenced them to long jail prison terms. Buhari, who ruled the Nigerian state from 1983 to 1985 – has found it difficult till this day to show that he possessed a sense of fairness and true nationalism (Oluwasanmi, 2007). He selectively prosecuted an imprisoned most Governors from southern Nigeria while those in the North (in his native region) who squandered money untouched. Buhari executed Bernard Ogedengbe, Bartholmew Owoh and Lawal Ojulope for an offence of drug trafficking in spite of public pleas. The execution was done under a retroactive decree courtesy of Buhari regime. Buhari regime was against the press for publishing critical statements against his

government, making the report of truth a very serious offence in the country. He imprisoned civil society activists and critics for making report on his government.

However, he could struck fears in the people's minds and got then to behave properly in public places through the draconian decree – War Against Indiscipline philosophy (Oluwasanmi, 2007). Buhari was removed in a bloodless coup by General Ibrahim Babangida because of high-handedness General Ibrahim Babangida, who styled himself a military president, forced Structural Adjustment Program (SAP) on Nigerians, which virtually destroyed the naira and Nigerian economy (Oluwasanmi, 2007). Babangida administration encouraged, democratized and institutionalized corruption; and corruption became an art of state policy. Babangida came up with a grandiose political transition that was described as the most expensive in Africa and at the end annulled the best election Nigeria ever held (Ebegbulem 2012; Ebegbulem and Imhonopi 2013).

When the pressure of the international community and civil society to install the acclaimed winner of the annulled election, Chief MKO Abiola heightened, he decided to install a toothless Interim Government of Shonekan, a government that was easily removed by inscrutable General Abacha within a period of about three months of its existence. Though, Babangida made little effort in infrastructure development. General Sani Abacha who ruled Nigeria from 1993 to 1998, governed with iron fist (Ebegbulem 2012), while the entire country became an extension of his personal estate within a space of five years. He stole the country blind; amassed so much wealth than most countries in Black Africa put together (Ebegbulem, 2012). In-fact, parts of Abacha legendary stolen wealth is still being recovered from his family till date. Abacha self-succession and transmutation agenda was however cut short by divine intervention in 1998 when he died in mysterious circumstances on the morning of the day he was to execute some senior army officers (Ebegbulem, 2012; Oluwasanmi, 2007).

Abacha was succeeded by General Abdusalam Abubakar. He was a gentleman, who faithfully restored civilian rule on schedule

in 1999 handing over to the retired General Olusegun Obasanjo. The General Abdusalam Abubakar administration of 1998-1999 was not exempted from the mass looting of the public treasury. The Christopher Kolade Probe Panel set up after his administration indicted Abdusalam regime of high magnitude of contract related corruption – kickback on over-inflated contracts. “He emptied the foreign reserves of the country in the name of democratic transition” (Ebegbulem and Imhonopi 2013), and during General Abubakar administration, MKO who was included in the house arrest in the state house for declaring himself elected President of Federal Republic of Nigeria was served the historic tea that killed him (Oluwasanmi, 2007).

The transition process saw the second coming of President Olusegun Obasanjo in 1999, who did not remove military mentality of believing that he was above everybody else and the law. His self-opinionated rule was aptly described by Oluwasanmi, (2007) thus: He was "all wise" while anyone disagreeing with him was "all foolish". In his sole possession of wisdom he built check points at great public expense and pulled them down at great public expense. Corruption became all pervading; electoral fraud common place, personal insecurity and unresolved assassinations characterized his regime just as much as disobedience of court rulings. Many infrastructures were left to decay while he pursued an attempt to stay longer in office by trying to amend the constitution. Though, he tried to reorganize some arms of government – The civil service and finance. Obasanjo assumed office 1999 poor (all his bank accounts amounted to about N20,000); but eight years later he had refurbished and expanded a derelict agricultural (poultry) farm at Ota which now is of multimillion naira worth (Oluwasanmi, 2007). Obasanjo now possesses educational institutions that run from primary level to university: he now has over two hundred millions of shares in various conglomerates, most especially Transcorp Nigeria Limited (Oluwasanmi, 2007).

However, little did he achieve in fighting political corruption, as even his immediate were corrupt (Ebegbulem, 2012; Oluwasanmi, 2007). He sold Government property to himself

and his cronies below the cost price; and House of Representative probe revealed that his administration wasted 16 billion US dollar in power sector without any evident transformation (Imhonopi and Ugochukwu, 2013; Aderonmu, 2009). Obasanjo successor, President Umaru Yar'Adua was a weak leader who lacked the qualities of a good health and strong leader. Yar' Adua consistently preached his administration zero tolerance for corruption and determination to bequeath rule of law and due process for Nigeria, but his disposition and body language revealed the contrary (Aderonmu, 2009; Ijewereme, 2013).

Yar' Adua government through the office of Attorney General of the Federation made frantic efforts to prevent James Ibori, the former governor of Delta State (who is currently serving jail term on money laundry conviction by London court) from being prosecuted and jailed. James Ibori was a close associate of President Yar' Adua and a major financiers of Yar' Adua's election. Umaru Yar'Adua forced Nuhu Ribadu, the Economic and Financial Crime Commission Chairman, from office just two weeks after he tried to prosecute former Delta State governor James Ibori (Human Rights Watch, 2011). Furthermore, the Goodluck Jonathan administration is observed by people of Nigeria and the world to be cluelessness and of low credibility. The New York Times Newspaper, May 6th 2014 describes him as "leading a corrupt government that has little credibility".

In a similar vein, Jonathan government was also described by former US Republican presidential nominee, Senator McKay as a practically non-existing government that has lost credibility in providing security of life and property. In addition, Hillary Clinton, the former US Secretary of State in separate events in New York City said the Nigerian government under President Goodluck Jonathan, squandered its oil resources, which encouraged corruption during his tenure. Falana (2012) opines that, under president Goodluck administration: "some of the governors under investigation posted their orderlies and relations to man departments in the EFCC".

Falana further posits that corruption is being carried out with impunity under current President Goodluck Jonathan administration to

the extent that the war against corruption has been lost completely. "Mrs Daziani Allison Madueke the minister of petroleum, has been indicted of corruption by five different investigative panel Committees reports at different time, yet she confidently remains in charge of the Ministry unperturbed" (Melaye, 2013), without the president demonstrating political will to bring the minister to book. Madueke has also being recently indicted (for squandering 10 billion naira on private jet maintenance expense) by the Nigerian National House of Representative. The house called her to defend the indictment, instead of giving account to the people's representatives she obtained infamous court injunction restraining the house from further investigation and indictment of her office.

Similar cases of diversification and embezzlement of funds especially those allocated to fight terrorism and insurgency cannot be overemphasized. However, the incumbent President Muhammadu Buhari promised change and fight against corruption but it seem all to be empty promises with deteriorating economy and high cost of living. His administration has been seen to be tainted with ethnocentric agenda, evident in the recruitment process and appointment of most of the political appointees (Onya & Elemanya, 2016)

### **Economic implications of leadership deficit in Nigeria**

In light of the above, one can understand that leadership mayhem in Nigeria is an old phenomenon, tracing it from independence. Nigeria as a country whose years past dream of economic development has been truncated is justified by leadership failure over the years. Dependency as it were is a state of relying on somebody or something for something, especially when this is not normal or necessary. Nigeria depends mostly on the products of western developed world for decisions and implementation of economic policies, thereby contributing to the economic development of the west to her own detriment. Meanwhile, Nigeria relies solely on a mono-product-economy that exposes it to the prevarications of sundry externalities. This trap is further fostered by political leaders who in their own intent of



selfishness, egocentrism and fund personalization care not about the above. This therefore discourages development in Nigeria.

### **High Rate of Importation**

What kind of country plants tomatoes and does not have plan for tinned tomatoes?

What kind of nation has fisheries everywhere, but imports sardines and geisha?

What kind of country do you know where cow obstruct vehicular traffic in all it state capital cities but still import corned beef? Welcome to Nigeria. (Adeyanju, 2016 cited NJIA, 2009)

Similarly Onimode, (2000) posits....it produces what it does not consume and consumes what it does not produce. High rate of importation is seen as the engine of underdevelopment and dependency since the companies and industries that carry the name "Made in Nigeria" have all fallen apart, due to leadership failure and mismanagement. Due to international prices, Nigeria imports grossed over US \$42.1 billion. According to the 2009 figure (Global Economic Watch), machinery, heavy equipment, consumer goods and food products are the major imports. A larger importation of Nigeria comes from Netherlands, France and Germany etc. Nigeria's high rate of importation has affected her by creating further problems like unemployment, vandalization of local industries, production and importation of fake products etc.

### **Imperialism Perpetuated Coupled with Neocolonialism**

Employing the same divide, rule and conquer methodologies that secured for them permanent footholds in Africa, Europe has once again succeeded in using African rulers against their people to maintain the status quo ante. Like the African kings and chiefs before them who aided and abetted slavery, imperialism and colonialism for selfish reasons, the rulers of most modern day African nations have been enthusiastic pawns through whom the resources of the continent are being siphoned off to the West mostly by forceful takeovers through military coups or electoral frauds, the same shade of characters have always been at the corridor of power, bringing nothing but the same old tired, backward-looking, anti-people

ideas and habits to governance. With this frame, can development in the strands of modernization and sustainable development paradigms take place?

### **Economic Conditionality of Bretton Woods Institutions (IMF and WB)**

Conditionality is a mean by which a party offers support and attempts to influence the policy of another in order to secure compliance a programme of measures, a tool by which a country is made to adopt a specific policies or to undertake certain reforms that it would not have undertaken in exchange of support (Todaro, 2003). Nigeria has involved in series of loans and grants and very often, the advanced capitalist countries describe these loans as aid to the developing countries. However, empirical surveys have made it explicit that such loan does not give much benefit to the recipient. Thus, Nkrumah (1973) noted that "Aid to neo-colonial state is merely revolving credit, paid by the neo-colonial master, passing through the neo-colonial state and returning to the neo-colonial master in for increase" To buttress on the above, this vicious cycle would have been impossible if the political elites (Leaders) tagged indigenous looters and neo-colonialists often referred to as petit-bourgeoisie refused to concur. However, with their intent of selfishness, and nonchalance about developing the economy of their country, they undertake to the conditions of these Eurocentric institutions. Such conditions are: Reduction of Government Expenditure; Trade Liberalization; Removal of Subsidies; Devaluation of Local Currency; and Reduction of Grants, Subventions and Loans to Parastatals. Etc

### **Industrialisation Gap and Brain Drain**

Most of the less developed countries today are not industrialised countries. Nigeria as a major discourse settles for this less. Over the years since independence, one often blames it on colonialism, forgetting that South Africa, Singapore and even Ghana were colonized too. Colonial masters had long gone leaving our own fate in our hands. Unfortunately none of these elites who have been able to amass power for themselves is for personal reason of embezzlement rather than general reason to develop the country at large.

Nigeria today reason being unindustrialisation produces raw materials and import finished goods at the expense of underdeveloping herself. Nigeria spends huge on importation rather than spending huge on industrialization and human resource. Many literate people and bright minds often seek the refuge of developed countries knowing fully well that mere being a geek can earn them fortune in developed countries unlike here in Nigeria (Adeyanju, 2016 cited in NJIA, 2009).

### **Unemployment, High cost of Living and Poverty**

As far as Nigeria is concern regarding inflationary effects it has been experienced worst consequences reflected by poverty, food crises, price hike etc. Mahmood, Hafeez and Rasheed (2009) concluded that “inflation causes poverty. Day to day increase in prices of commodities especially of non-food items like oil and gas snatch money from savings of consumers and uncertainty of prices, both food and non-food items, generate enthusiasm among people toward earn more and more therefore, people prefer to work over recreation underestimating their Health”.

Over work and lack of recreation make them vulnerable particularly of middle class people and they almost fall into lower class. Although, over time work bless money but it causes exertion and lethargic body that charge more expense on health instead upper class people hardly encounter any problem to inflation. Ezirim, Muoghalu and Elike (2010) assert that 'inflation brings negative impact while exports and investment brings positive impact on Nigeria economy and suggested that we should encourage a larger scale of export promotion activities to enhance the economic growth. It will create numerous job opportunities which increase the per-capita earnings and standard of living'.

With the presence of high cost of living which is logically inflation, Nigerian leadership has alongside over time failed to recognize the need for employment. Nigeria produces thousand thousands of graduates who at the end are crept in the unluckiness of unemployment. This therefore creates high frequency of poverty level. No wonder the United Nation Human Development Index (HDI, 2011) has put the

poverty level of Nigeria to be about 64.7% and as such, majority of the Nigerian population are said to be living under abject poverty.

In the light of the above, Nigeria is underdeveloped due to leadership crisis which need serious decisive attention, else the demerits that follows it will begin to worsen. Drawing from Todaro, (2011) point of view, a country found of unemployment, inequality and poverty is categorically an underdeveloped country. From the above justification, Nigerians wallows in poverty, inequality of injustice and large gap between the poor citizens and rich political leaders and high rate of unemployed youths. This therefore qualifies Nigeria as underdeveloped country on the account of it failed leadership.

### **Conclusion**

Leadership deficit and economic problem in Nigeria are not new, it is evident that the twin problems have attained an unimaginable height and pandemic proportion since 1960 to date. Nigeria has never selected its best sons to positions of leadership. The lack of responsible leaders with integrity, vision, high moral values has been the bane of Nigeria development. It is totally appalling and disheartening that Nigeria, a country blessed with human and material resources critical for national development is now doomed with uncertainty where abject poverty, high unemployment rate, falling standard of education, avoidable health crisis, unresolved assassinations, insecurity, looting and squandering of public funds, etc, all as a result of bad leadership and corruption, have become the order of the day.

No doubt, Transparency International consistently rates the levels of corruption in Nigeria among the highest in the world. Corrupt practices among the political leaders undermine economic development. This is because it increases cost of running business, aggravates poverty, impedes the country's ability to attract overseas capital/foreign investors, and it reduces the credibility of democratic and bureaucratic institutions. Although the situation looks very bad, it is not insurmountable.

It is the position of this paper that the most daunting challenges militating against Nigeria and Africa's quest for transformation and economic development appears to be

ineffective leadership, untamed and seemingly untamable corruption and bad governance. Finally, the study highlighted a number of economic implications posed by leadership deficits in Nigeria. The summation is that, until Nigerian leaders begin to think of Nigeria's future and development and begin to 'plant trees' whose shades they know they shall never seat in; the quest for good governance and productive leadership capable of combating corruption and in the process, engendering sustainable socio-economic and political development will for long remain a mirage.

### Recommendations

This paper recommends thus that there is need for a distinct national character, a sense in which institutions and not mere organisations are built on specific aims and objectives towards national development. It is therefore the submission of this piece that, the economic problem of Nigeria is largely hinged on institutional deficits born out of leadership. Hence, while leadership terms may expire, institutions outlive tenures, this logic dictates the essence of strong institutions in Nigeria.

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