Nigeria NEE Case Study Knowledge Organiser

9. Some LICs and NEEs are experiencing rapid economic development which leads to significant social, environmental and cultural change

9A:
Location: Nigeria, West Africa, just north of the Equator, south of Niger and the Sahel desert
Regional importance: Large number of UN peacekeepers working in Africa come from Nigeria. Largest population and economy in Africa – seen as a leader within the continent.
Global importance: 21st largest economy, 15th largest oil producer

9B:
The wider political context: Gained independence from the UK in 1960, civil war 1967-1970, first free and fair election in 1999, 2009 Boko Haram launches terror campaign.
The wider social context: life expectancy 54 years, literacy rate 62%. Rural areas are much poorer than urban areas. The north east is wealthiest, the south east is poorest.
The wider cultural context: Many different ethnic groups, Nollywood (larger than Hollywood), successful football team
The wider environmental context: driest in the north of the country – less than 500mm rainfall each year. Niger river runs out into the Atlantic where a large delta has formed. Large oil reserves along the south coast and delta.

9C:
The changing trading relationships with the wider world
- 12th largest exporter of oil. Also exports cocoa, cotton and natural gas
- Exports mainly to the EU, South Africa and India.
- Imports manufactured products mainly from China and the EU
- Fastest growing import = telephone from China

The changing political relationships with the wider world
- 1960 independence. Now a member of the Commonwealth.

Increasingly taking a leading role in Africa – 5th largest contributor of UN peacekeepers. Member of the African Union an OPEC (Organisation of Petroleum Exporting Countries)

9D: The changing industrial structure and the balance between different sectors of the economy
The employment current balance is:
- Agriculture: 22% of GDP
- Industry: 27% of GDP
- Services: 50% of GDP
- The percentage of people in secondary sector jobs is increasing quickly.

How manufacturing industry can stimulate economic development
- **Employment in manufacturing** → higher and more reliable income than a farmer → can afford to buy things for a better *quality of life* e.g. more food and medicines. Money spent in local businesses passes through the community and can be used by other people = *multiplier effect*
- More factories → tax paid to the government → government can spend this on improving things e.g health care and schooling boosting *literacy levels* and *life expectancy*, so the income from the factories spreads through the country = *multiplier effect.*

9E:
Trans **N**ational **C**orporation: a company that operates in more than one country.
The impact of a TNC on industrial development
- Shell = a British-Dutch oil company operating in Nigeria
- 40 TNCs in Nigeria
- Shell directly employs 65 000 people in Nigeria
- Gas and oil extraction, oil refineries.
- Indirect employment through related industries

Advantages to Nigeria
- Shell spends money to develop infrastructure (e.g. roads) to help it extract and process oil.
- Improved infrastructure attracts other manufacturing industries
- Other businesses set up to help supply Shell refineries with the components they need creating 250 000 jobs

	• More businesses are set up the government gets more tax revenue (75% of the government's revenue comes from the oil and gas industry) to spend on improving services like health care → quality of life increases. **Disadvantages of TNC(s) to the host country** • There have been human rights abuses, including murder and torture, committed against the Ogoni people in the Niger Delta. • Oil spills from pipelines and oil refineries cause water pollution and contaminate soils, reducing agricultural production and the amount of fish that can be caught in the Niger Delta. • Most crude oil is exported to be refined in the USA and Europe so most of the profits do not go to Nigeria.
	9F: **Types of aid received:** 63% spent on improving health, 6% spent on education. Most aid is multi-lateral (from an organisation involving many countries) e.g. The USA and Japan are major donors. Aid to Nigeria in 2019 was US$1550 million. **Impacts of aid on the receiving country** • + Aid involving appropriate technology is successful e.g. mosquito nets has been very successful, reducing the spread of malaria. • + Improving health care (e.g. USA helping protect against HIV/Aids) → more people can work → incomes increase → people can afford to by what they need for a better quality of life. • + Improving health care (UK funded HIV programme) → more children can stay in school → increased literacy rate • **Problems**: some money is lots due to corruption, aid money can be spent on other things (some think it has been spent on the navy), by giving aid other countries may start to try to influence the politics of Nigeria.
	9G: The environmental impacts of economic development **Economic development = more factories and more urban areas** • **Air pollution** – 5000 factories. Gases such as sulphur dioxide. Oil flares releasing toxic fumes. Traffic fumes. • **Water pollution –** from oil leaks e.g. Bodo oil spills 2008-9, 20km of creeks flooded. • **Deforestation** – loss of 95% of all forests in Nigeria, habitats for giraffe and cheetahs destroyed • **Waste –** more rubbish and sewage as urban areas grow e.g. in Lagos
	9H: The effects of economic development on quality of life for the population. • As the country develops incomes have risen so people can afford to buy what they need e.g. better diet, access to safe water, clothes, recreational activity • As the GDP of the country has risen the government has received higher tax revenues to spend on services e.g. health care and schools. • Life expectancy rose from 46-54 years from 1990-2019 • Access to safe water rose from 46-85% from 1990-2019 • From 2005-2019 HDI increased by 15%. • BUT: 40% of population living below poverty line with limited access to services like electricity. • Corruption means oil wealth not distributed and over reliance on just oil as part of economy.