

You need to know:

- where Nigeria is located
- Nigeria's global and regional importance.

Student Book
See pages 218–19

Where is Nigeria?

Nigeria is in West Africa, bordering four countries. It extends from the Gulf of Guinea in the south to the Sahel in the north (Figure 2).

Big Idea

Nigeria is a case study of a newly emerging economy (NEE) experiencing rapid economic development. Use this study wherever questions are asked about an NEE.

What is the global importance of Nigeria?

Year	Population	Annual change %	Fertility rate	Urban population %	Urban population	% of world pop
2015	182 201 962	2.71	5.74	48.10	87 680 500	2.63
1990	95 617 345	2.65	6.6	29.70	28 379 229	1.97

Figure 1 How has Nigeria developed in 25 years?

In 2014, Nigeria was the 21st largest economy in the world and it is still growing.

Nigeria supplies 2.7% of the world's oil. Much of the country's economic growth has been based on oil revenues.



It has developed a diverse economy, including financial services, telecommunications and media.

Nigeria is the fifth largest contributor to UN global peacekeeping missions.

Nigeria's regional importance in Africa

Nigeria has one of the fastest-growing economies in Africa.

In 2014 it had Africa's highest GDP and the third largest manufacturing sector.



It has the largest population of any African country.

Nigeria has the highest farm output in Africa. A large proportion of people are employed in agriculture; most are subsistence farmers.

Has huge potential despite problems with internal corruption and lack of infrastructure.

Figure 2 The location of Nigeria

Six Second Summary

- Nigeria is in West Africa.
- Nigeria is an important oil producer and is experiencing rapid economic development.
- Nigeria is important regionally in terms of its GDP, population and farm output.

Over to you

Annotate **six** features of Nigeria on a map to show its location and its importance globally and regionally. Stick it on your wall as a reminder.

You need to know:

- the political, social, cultural and environmental contexts of Nigeria.

Student Book
see pages 220–1

Political context

- During the colonial period, Europeans exploited Africa's resources and people. Nigeria was ruled by the UK as a colony. It became independent in 1960.
- Political instability affected Nigeria's development and led to widespread corruption.
- Since 1999, it has had a stable government.
- Several countries are now starting to invest in Nigeria (e.g. China, USA).

Social context

- Nigeria is a multi-ethnic, multi-faith country – this is a strength, but has also been a source of conflict including a civil war between 1967 and 1970.
- Recently, economic inequality between the Islamic north and Christian south of Nigeria has created new religious and ethnic tensions. This has created an unstable situation with a negative impact on the economy.

Cultural context

- Nigerian music – e.g. the musician Fela Kuti.
- Nigerian cinema – 'Nollywood' – is the second largest film industry in the world, behind India.
- Well-known Nigerian writers include Wole Soyinka.
- The Nigerian football team has won the African Cup of Nations three times.

Environmental context

Nigeria's natural environments form a series of bands because of decreasing rainfall towards the north.

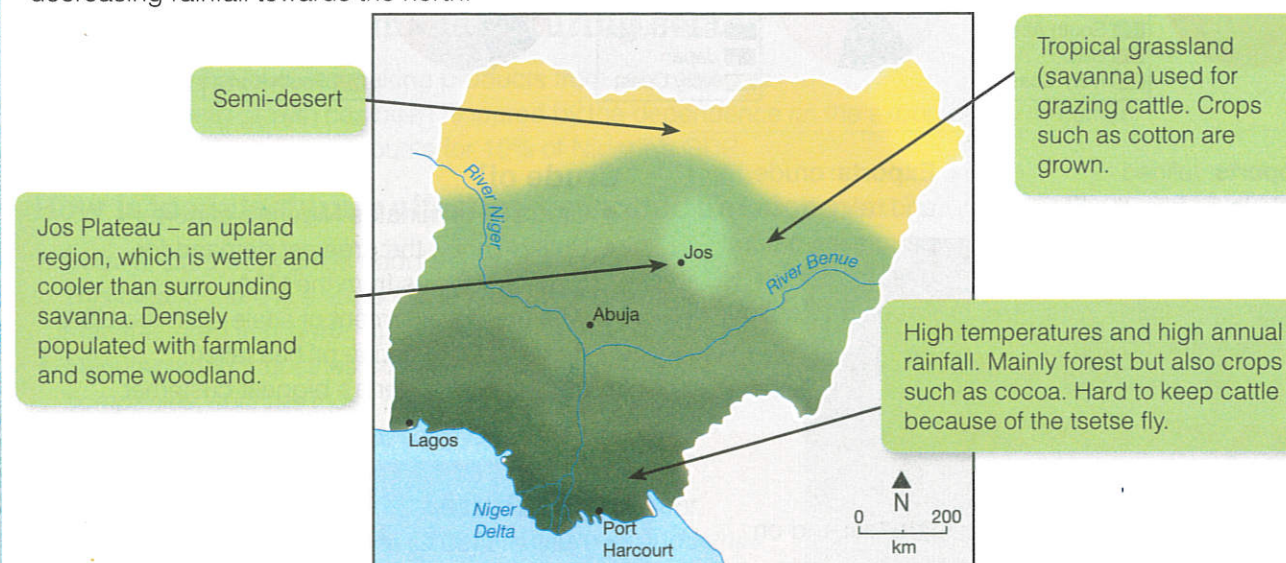


Figure 1 Nigeria's natural environment

Six Second Summary

- There is considerable variety in Nigeria socially, culturally and environmentally.
- There have been political struggles but recently the government has been stable.

Over to you

Pick out **five** important pieces of information using sticky notes or by highlighting text on this page. Learn this information, and use the highlighting and sticky notes to jog your memory later.

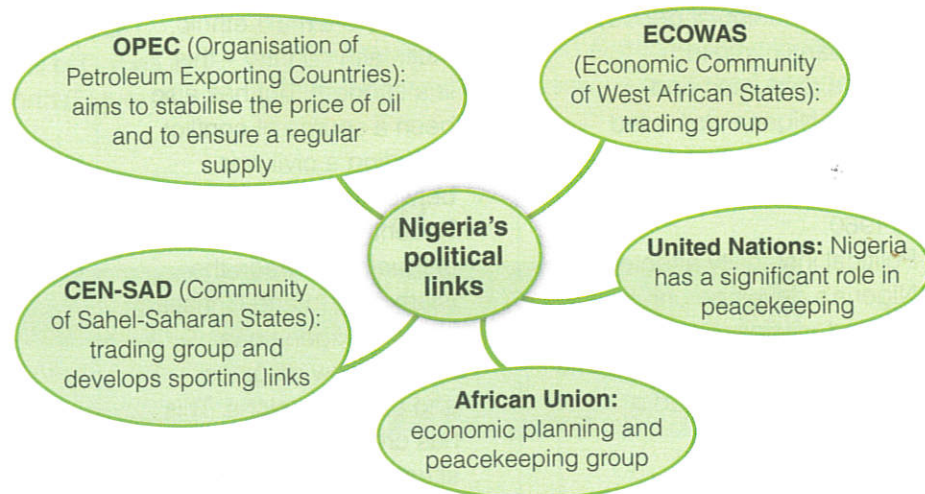
You need to know:

- about Nigeria's changing relationships with the wider world.

Student Book
See pages 222–3

How have Nigeria's political links changed?

- Until 1960, Nigeria was part of the British Empire.
- Since independence, Nigeria has become a member of the British **Commonwealth**.
- Nigeria is also a leading member of African political and economic groups, and international organisations.



What are Nigeria's global trading relationships?

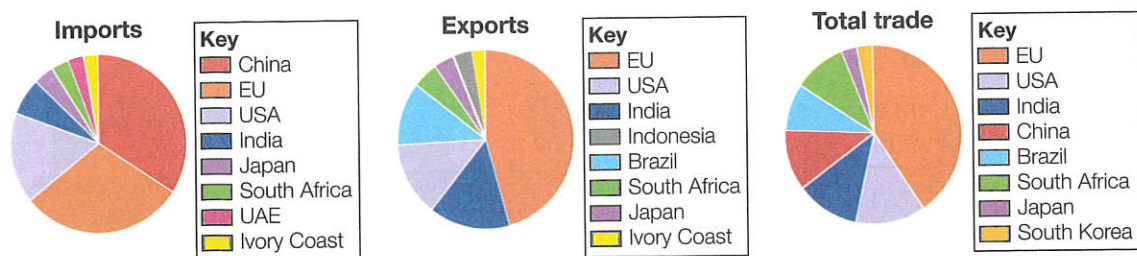


Figure 1
Nigeria's trading relationships

Imports: refined petroleum from the EU and the USA; cars from Brazil and the USA. Telephones from China is a fast-growing import.

Exports: crude and refined petroleum, natural gas, rubber, cocoa and cotton.

Crude oil

- Crude oil dominates Nigeria's exports.
- Until recently, the greatest demand for Nigerian oil was from the USA.
- With the development of shale oil in the USA, demand for Nigerian oil has fallen.
- India is now Nigeria's biggest customer.

Agriculture

- Australia (30%) and Indonesia (15%) are the biggest customers for Nigerian cotton.
- Only two other West African countries are significant trading partners – Ghana and Ivory Coast.



Figure 2 Picking cotton for export

You need to know:

- how Nigeria's economy is changing.

Student Book
See pages 224–5

Nigeria's sources of income

Traditionally, primary products such as cocoa and cotton were Nigeria's main source of income. Today, oil accounts for 95% of Nigeria's export earnings.

Big Idea

Nigeria's **industrial structure** (the proportion of the workforce employed in different sectors) is changing.

Does Nigeria have a balanced economy?

Changes in Nigeria's economy since 1999 are outlined in Figure 1. This means that Nigeria now has a more *balanced* economy.

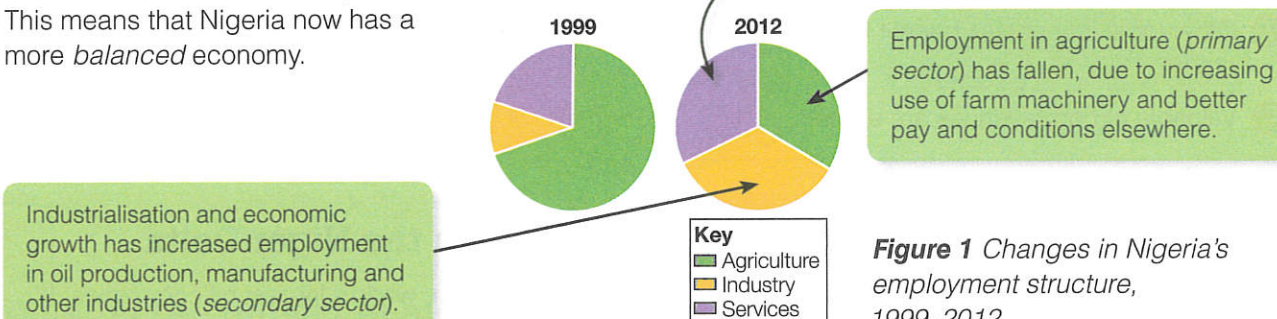


Figure 1 Changes in Nigeria's employment structure, 1999–2012

Nigeria's growing manufacturing sector

- Manufacturing involves making products from raw materials.
- Manufacturing growth has been hindered by the dependence on the export of raw materials.
- Today, manufacturing accounts for 10% of Nigeria's GDP.

How is manufacturing affecting economic development?

- Regular paid work gives people a more secure *income*. This means there is a *large home market* for products manufactured in Nigeria, such as cars.
- Manufacturing industries *stimulate growth for other companies*, such as those supplying parts to make cars.
- More people are employed, so *revenue from taxes increases*.
- A thriving industrial sector attracts *foreign investment*.
- Oil processing has led to the *growth of chemical industries*, including soaps and plastics.
- This growth is an example of the *multiplier effect* (see 16.8).



Figure 2 Volkswagen car factory in Lagos

Six Second Summary

- Nigeria's economy has become more balanced.
- Manufacturing can increase incomes, attract investment and encourage the growth of linked industries – the multiplier effect.

Over to you

- Add doodles to this page to help you remember the content – e.g. a tractor for primary sector.
- Draw a flow diagram to show Nigeria's economic multiplier effect.

Six Second Summary

- Nigeria's political role used to be focused on the British Empire.
- It is now a member of African and international groups.
- The EU is Nigeria's main trading partner.

Over to you

Write down **eight** pieces of information you've learnt from this page.

You need to know:

- the role of TNCs in Nigeria's development.

Student Book
See pages 226–7

A **transnational corporation (TNC)** is a large company that operates in several countries.

A TNC usually has its headquarters in one country with production plants in several others.

What are the advantages and disadvantages of TNCs in Nigeria?

Advantages

- Companies provide employment and the development of new skills.
- Investment by companies in local infrastructure and education.
- Other local companies benefit from increased orders.
- Valuable export revenues are earned.

Disadvantages

- Local workers are sometimes poorly paid.
- Working conditions are sometimes very poor.
- Management jobs often go to foreign employees.
- Much of the profit goes abroad.

Unilever in Nigeria

Unilever is an Anglo-Dutch TNC, manufacturing items such as soap, foods and personal care items.

- Unilever employs about 1500 people in Nigeria.
- It has promoted improvements in health care, education and water supply.



Figure 1 Unilever's Agbara factory in Ogun State

Shell Oil in the Niger Delta

Shell is one of the world's largest oil companies. It has extracted oil from the Niger Delta since 1958, with some controversy.

Advantages

- It has made major contributions in taxes.
- It has provided direct employment for 65 000 Nigerian workers.
- It has provided 250 000 jobs in related industries.
- 91% of all Shell contracts have been placed with Nigerian companies.

Disadvantages

- Oil spills have caused water pollution and soil degradation, damaging agriculture and fishing industries.
- Frequent oil flares send toxic fumes into the air.
- Oil theft and sabotage cost TNCs and the government billions of dollars every year.

You need to know:

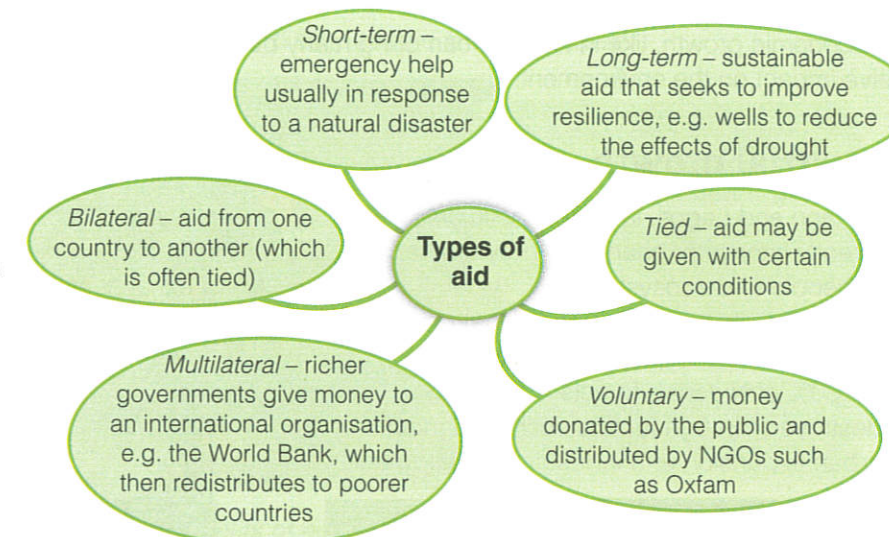
- the impact of international aid on Nigeria.

Student Book
See pages 228–9

Types of aid

Aid can be provided by individuals, charities, NGOs, governments and international organisations. There are two main types of aid:

- Emergency aid** – following a natural disaster or conflict
- Developmental aid** – long-term support aimed at improving quality of life



What is the impact of aid in Nigeria?

The most successful aid projects are community-based, supported by small charities and NGOs. Aid has been used to benefit Nigeria in several ways.



What prevents aid from being used effectively?

- Corruption is a major factor in loss of aid.
- Donors may have political influence over what happens to aid.
- By receiving aid, a country may become more dependent.



Six Second Summary

- There are several different types of aid.
- Impacts of aid vary according to whether or not it is used effectively.



Over to you

Try this 4-mark question.

Write down **two** reasons why aid may not always be effective. Explain your reasons fully.