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LEADERSHIP AND ECONOMIC DEVELOPMENT FOR NATION BUILDING

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ABSTRACT

The leadership of any nation is the determinant to the level of economic development. The insufficiency of basic infrastructural facilities, highly corrupt leaders and uneasy burdened on citizens spurred the writing on economic development and leadership for nation building. This paper's conceptual reviews were economic development, leadership influence, challenges and strategies to the economic development. The conceptual model was clearly designed and discussed while the theoretical framework was based on Schumpeter theory on economic development. The article discovered that there was unbroken relationship among the economy, educational development, leadership and political will for nation building. Therefore, the following suggestions were made such as engaging technological and digital development strategies, sole-government responsibility in financing the tiers of government, as well as short, medium and long term project, joint partnership of government and private sector as well as complete private sector involvement, incorporating individuals, corporate bodies and organizations for robust economic and educational development.

Keywords: Economic, Economic Development, Leadership, Leadership Influence, Challenges, Strategies.

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INTRODUCTION

The level of economic development of any society is a determinant of the leadership. The basic economic problems of our society today are numerous: inadequacy of the quality and quantity of products, inability of products getting to the desired market, insufficiency of basic infrastructural facilities, highly corrupt political leaders, undue characters of civil servants in public offices and uneasy burdened on citizens just to mention a few. On the educational system, the inadequacy of admission at tertiary institutions, poor educational (physical and instructional) facilities, mismanagement of huge educational funds, high rate of unemployment after graduation and such likes the spurred the writing of this paper on leadership and economic development for nation building. Nigeria in question cannot be built when the leaders are not with the willing and ready mindset to build.

Obeten (2022) noted that Nigeria as a country with an increasing population estimated over 200 million people has an ever- increasing need and demand for basic necessities such as food, shelter, clothing, improved healthcare, portable water, modern infrastructure, functional social amenities, good sanitary conditions among others. By this assertion, it therefore means that for these basic necessities of life to be made available to all, it is majorly the sole responsibility of the government put in place to render qualitative leadership which will in turn have an adverse effect on the economic development of her citizens.

The history of economic growth in Nigeria has been generally disappointing. The country tottered on an average growth rate of less than 3% per annum for most of the three decades following the discovery and exploitation of oil. This era was characterized by waste, an over-bloated public sector, high public expenditure pattern, distorted budgeting system and a weak private sector. Coming at a time when some of the world's fastest growing economies were posting average growth rate of over 10% per annum, a 3% real GDP growth and a population growth rate of about 2.8% is discouraging and therefore call for efforts to be stepped up to improve the performance of the economy (Onyemaechi, 2013).

Improvement of the economy will depend greatly on growth of the productive or real sector. Economists define the real sector as the sector characterized by economic and educational activities involving real or physical production; namely, agriculture, manufacturing, mining, oil, gas and human capacity building in terms of the mindset, values and competencies. The real sector is the main driving force of the developmental process in any economy, since it accounts for a substantial proportion of a nation's Gross Domestic Product (GDP), and by implication the bedrock of any progress recorded by the economy of a country. In the last two decades in Nigeria, the real sector accounted for more than 60% of the nation's GDP.

Theoretical Framework

The Schumpeter's Theory of economic development in (n.d) was adopted for this writing and application discussed. In Oyemaechi (2013), developing this theory, Schumpeter distinguishes between two types of influences on an economy: *first* are the influences of changes in the availability of factors of production, which he refers to as *growth* component; *second* are the influences of technological and social changes, which he characterized as *development* component. Schumpeter referred to economic growth as changes in population and in the total of savings plus accumulation corrected for the variation in the purchasing power of the monetary unit. According to him, changes in these two variables are both continuous and slow. He noted

that development is a distinct phenomenon and entirely foreign to what may be observed in the tendency toward equilibrium. It is a phenomenon that cannot be explained economically.

According to Oyemaechi (2013), Schumpeter growth component represents the contribution of changes in the utilization of the factors of production. The supply of land being fixed, growth component represents only the contribution of variations in the size of population and of increases in the produced means of production, which Schumpeter distinguishes from capital. Population growth is considered as an external factor in the Schumpeter's treatment of economic change. Schumpeter believed that the rate at which population changes is determined by factors outside the system. Similar to population growth, increases in producer goods is said to belong to the growth component of economic change. Schumpeter asserted that an increase in the supply of producer goods ordinarily depends on the positive savings flow. The rate of savings in any economy, in turn, rarely rises abruptly. Increases in savings rate are slow and gradual and often require infinitesimal steps. Schumpeter believed that savings are rarely independent factor of change.

Other important factors influencing economic growth and development in Schumpeter's context include: technological change, entrepreneurship, capital, and credit (Oyemaechi, 2013). These are discussed as follows:

Technological Change - Schumpeter visualized two broad types of technological changes: continuous technological change in which technologies develop from the prevailing technologies, and discontinuous technologies. According to Schumpeter, continuous technological changes give rise to economic growth, while discontinuous technological changes give rise to economic development.

Entrepreneurship - Schumpeter believed that the entrepreneur is neither a financier nor a technician; he or she is merely an innovator who carries out discontinuous technological changes resulting in economic development. He also assumed that the activities of entrepreneurs are greatly influenced by the social climate. In a depressing social climate, the possibility of widespread innovative activities will be limited. In addition, any attempt to restrict independence and to violate capitalist rationality will discourage entrepreneurial activities.

Capital - Schumpeter defined capital as that sum of means of payments which is available at any moment for transference to entrepreneurs. He noted however, that not all means of payment should be regarded as capital and that if means of payment are not used for diverting means of production from their existing uses to the new ones, they do not serve any development purpose and as such, would not be considered as capital. According to Schumpeter, capital is a concept of development to which nothing in the circular flow of economic activities corresponds.

Credit - Schumpeter assigned a unique role to credit in economic development. Entrepreneurs need credit in order to carry out innovations that give rise to economic development. Every kind of extension of credit for purposes of innovation is by definition the granting of credit to the entrepreneur, and forms an element of development. The need of credit arises from the requirements of development.

Schumpeter theory is applicable to the economy for a nation building. The nation Nigeria have come to the stage where every aspect of the economy should be digitalized ranging from the education at all levels, election process, health services, manufacturing, processing of raw

material, just to mention a few. The digital systems should be engaged and embraced in the economy to blend with international economic standard.

LITERATURE REVIEW

The conceptual framework for this article demystified the following sub-headings: economic development, educational development, influence of leadership (political and institutional) in economic and educational development, determinants of economic and educational development, challenges in economic and educational development, and strategies for economic and educational development in nation building. Figure 1 gives a clear picture of the variables under consideration.

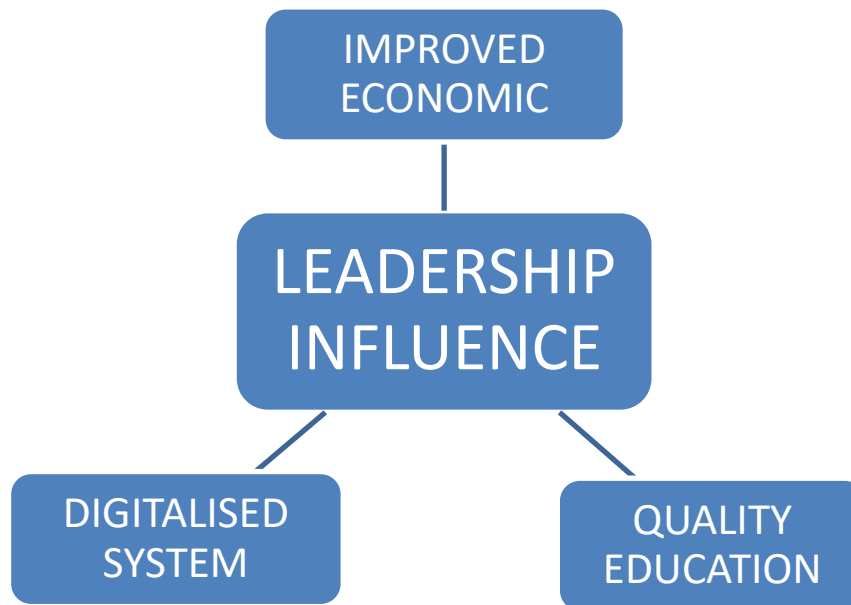


Figure 1: Model showing leadership influence on improved economic, quality education and digitalized system for nation building. **Source:** Writers views (2023).

The writers view were clearly conceptualized from figure 1 stating that the determining factors of nation building in a country like Nigeria is the leadership influence (political and institutional) to improve the economic, provide quality education and digitalized all system of the economy. It had commonly said that ‘no nation’s economy can develop beyond the leadership will’ as well as ‘no student can grow beyond his teacher’. In the same vein, no country can strive in this 21st century with all very high technological and digitalised system. In Nigeria, for us to have economic development for nation building, our leaders must have these 5Cs. They need to be competent, committed, consistent with the right character and capacity (Obi, 2023; Abraham, 2023).

Economic Development

The term economic is asserted to be the entire business activities that generate fund as well as bringing improvement in the well-being of the citizenry of a country. The word development is defined as the discontinuous and spontaneous change in the stationery state which forever alters and displaces the equilibrium state previously existing (Jhingan in Chukwuka & Ananaba, 2016). Economic development can be referred to as the quantitative and qualitative changes in an existing economy. Economic development involves development of human capital, increasing the literacy ratio; improve important infrastructure, improvement of health and safety, and other areas that aim at increasing the general welfare of the citizens. Economic development can also be seen as an increase in living conditions, improvement of the self-esteem needs and a free and just society. He suggests that the most accurate method of measuring economic development is Human Development Index (HDI) which takes into account the literacy rate which in-turn has outright impact on productivity and could lead to economic growth (Todaro in Onyemaechi, 2013).

Misra and Puri in Onyemaechi (2013) defined economic development to mean growth plus progressive changes in certain critical variables that determine the well-being of the people. They asserted that there are qualitative dimensions in the development process which may be missing in the growth of a given economy expressed in terms of an increase in the national product or the product per capita. The problem of development must be defined as a selective attack on the worst forms of poverty. Development goals must be defined in terms of progressive reduction and eventual elimination of malnutrition, disease, illiteracy, squalor, unemployment, and inequalities.

They further noted one major approach to the concept of economic development, referred to as the traditional approach. The *traditional approach* defines development strictly in economic terms. According to the traditional approach, economic development implies a sustained annual increase in Gross National Product (GNP) at rates varying from 5 to 7 percent or more, together with such alteration in the structure of production and employment that decreases the shares of agriculture in production and employment and increases those of manufacturing and services sectors. Policy measures suggested in this case are those which induce industrialization at the expense of agricultural development. Such objectives as poverty elimination, reduction of economic inequalities, and generation of employment are mentioned in passing reference only, and in most cases, it is assumed that rapid gains in overall growth in GNP or per capita domestic product would trickle down to people in one form or the other.

Economic development is, therefore, a process with noble ideals. Backward (developing) countries, without exception, are endeavoring to make economic development a successful objective. It is worth noting the difference between economic development and economic growth, as these two important economic concepts have often been misplaced and confused in their meanings. Distinguishing between economic growth and development, recent literature notes that economic growth refers to increases in a country's real output of goods and services or product per capita over time. Output is generally measured, in this case, by gross or net national product. The term economic development, on the other hand, is more comprehensive. It implies progressive changes in the socio-economic structure of a country.

Economic development involves a steady decline in agriculture's share in Gross National Product (GNP) and a corresponding increase in the share of industries, trade, banking, construction, and services. This transformation in economic structure has been noted as being

accompanied by a shift in the occupational structure of the labour force and improvement in its skill and productivity. Put differently, whereas economic growth merely refers to a rise in output, economic development implies changes in technological and institutional organisation of production, as well as in the distributive pattern of income.

Table 1: Comparison Chart: Economic Growth Vs. Economic Development

S/N	CONCEPT	ECONOMIC GROWTH	ECONOMIC DEVELOPMENT
1	Meaning	Economic growth refers to an increase in the real output of goods and services in a country	Economic development changes in income, savings and investment along with progressive changes in socio-economic structure of country (institutional and technological changes)
2.	Factors	Growth relates to a gradual increase in one of the components of Gross Domestic Product: consumption, investment, government spending, net exports.	Development relates to growth of human capital, decrease in inequality figures, and structural changes that improve the quality of life of the population
3.	Measurement	Economic growth is measured by quantitative factors such as increase in real GDP or per capita income.	The qualitative measures such as HDI (Human Development Index), gender-related index, Human Poverty Index (HPI), infant mortality, literacy rate etc. are used to measure economic development
4.	Effect	Economic growth brings quantitative changes in the economy.	Economic development leads to qualitative changes in the economy.
5.	Relevance	Economic growth reflects the growth of national or per capita income	Economic development reflects progress in the quality of life in a country.

Source: Adopted from Odishika (2017). Development Economics I. www.nou.edu.ng.

Table 1 clearly expiated the distinctiveness between economic growth and development. It showed that the country Nigeria had been growing in terms of her GDP but the qualitative development to speak of the volume of money is alarming, where Nigeria ranked among the poorest country in the world. The unemployment rate is 33.3% which is the highest in the world amidst enormous resources in the Nigeria.

Educational Development

It is generally accepted that education, as a key means of building human capital, matters for both individual and economy-wide prosperity. On the individual side, work stemming from Schultz, Becker and Mincer cited in Valero (2021) has shown that education is important for improving earnings and productivity. Education remains an indispensable tool for effective social transformation and economic prosperity of nations yet, it remains unfortunate that this all important sector is been toiled with by political (as well as institutional) leadership in Nigeria (Ule & Idemudia, 2020). Education is a determinant to the economic development. Education

drives the economy to the stand point for nation building. A comparison of the two sectors stressed the need to develop and invest in both for nation building.

Table 2: Comparison between Economic and Educational Development

S/N	Economic Development	Educational Development
1	The political leaders (Executive, Legislators and Judiciary) control the economy system.	The educational leader (Vice chancellor, Rector, Principals, Headmasters/mistresses control the educational system.
2.	This deals with the physical resources such as land, vegetation, water-bodies, man-made structure.	This deals with the human resources such as the labour force.
3.	Financial index: the monetary aspect of the country.	Human Development Index (HDI): the population of the country.
4.	Factors of production such as land and capital work in tandem with economic development.	Factors of production such as labour and entrepreneur work in tandem with the level of educational training for development
5.	Investment: Dealing with the present and future economic situation	Investment: dealing with the present and future well-being of the country's populace.

Table 2 compared the close relationship between economic and educational development.

Leadership for Nation Building

The leadership concept under discussion refers to political and educational institutional leadership in the economic and educational sectors respectively. A *leader* is a person who influences a group of people towards the achievement of a goal. It is also perceived as a person that holds a dominant or superior position within its field, and is able to exercise a high degree of control or influence over others (Business Dictionary in Chukwuka & Ananaba, 2016).

The word *leadership* from a narrow view could be referred to as the action of leading a group of people or an organization. A more comprehensive definition of leadership was given by Legacy as cited in Chukwuka and Ananaba (2016), for him, leadership is the ability of a superior to influence the behavior of subordinate or group and persuade them to follow a particular course of action.

In this circumstance, it will be appropriate to state unequivocally that leadership (those who occupy public positions in the economic and academics) plays a fundamental role in making sure that the lives and welfare of the citizens is improved through the provision of basic infrastructural amenities of life, provision of health, security, telecommunication services etc. Myles (2021) described leadership in different dimensions such as a leader is for a generation not only for election. Nigeria political leaders project majorly for election not for generations to come. According to Myles, a true leader is not for personal achievement but the people advancement.

Leadership Influence in Economic and Educational Development

The country Nigeria today need a political willed leaders that will change the course of time, the narrative and the entire economic and educational system for all-round development. The country's enormous wealth lies in the hand of few, meaning that, 15% of the populace control the wealth while 85 % of the citizens are under the budget line. On the other hand, the reverse should be the case where 85% of the citizens should control the wealth or the wealth should be in their hands according to Peter G. Obi, the Presidential candidate in Nigeria general election 2023.

There is a symbolic relationship between education and the economy. Indeed, the criteria for investment in education is basically economic. Education and economy are therefore regarded as mutually dependent. In fact, it should be noted that the case for investment in education rests on the logic that:

- The educated earns more than the uneducated in most countries;
- Earning power of individuals reflects their productivity level, and therefore increases an individual's level of productivity; and
- Since economic development is related to individuals' productivity levels, more education leads to more economic development.

Blaug (1972), in his early works on economics of education pointed out that the relationship between education and the economy lies on the effect of literacy on the development of the economy. In apparent support of the logic on investment in education as stated earlier, Eneasator (1996), pointed out that literacy may contribute to the development of the economy by:

- Raising the productivity of literates;
- Raising the general productivity of individuals; through working in association with the literates. This is demonstrated in the so-called spillover effects of literacy.
- Reducing the cost of disseminating information to individuals (for example about health and nutrition);
- Stimulating the demand for a particular type of education (for example, vocational and technical education), which may be more relevant to the economy;
- Strengthening economic incentives that is the tendency of people to respond positively to a rise in the rate of reward of their efforts.

Challenges of Leadership in Economic Development

The deterioration in the standard of education and lack of leadership commitment towards revitalizing the economic and educational sector for nation building has become a thing of worry. There is a clear indication to the fact that the Nigerian economy and education is at the verge of collapse considering the prevailing breakdown and lack of moral and social values among citizens. This has contributed to the declining quality of education in the Nigerian state and the negative impact on its economic sustainability (Kingdom & Maekae, 2013 in Ule & Idemudia, 2020).

Ule and Idemudia (2020) asserted that some factors are responsible for this mischief which include among others; ethnicism and nepotism, political corruption, accountability

challenge, poor leadership recruitment and promotion of mediocre to leadership positions of authority. Furthermore, they sighted Eketu and Edeh (2019) that this failure is widely attributed to weak leadership roles and function as contended that leadership in Nigeria has experienced sequential failures in all aspect of life thereby giving credence to depleting socioeconomic, cultural and political values in the entire system especially on the economic and educational sectors.

Illiteracy remains the leading factor widening the gap between developing and advanced nations of the world which some scholars believed societies with high literacy rate boast economic growth and development and are somewhat the most wealthiest nations as they come close to controlling the global economy (Ofoha; Gabbar, et al., in Ule & Idemudia, 2020). In all the above views cited from these authors, it is lugubrious (extremely mournful) to conclude that Nigeria economic and educational system is falling, faulty, failing and fumbling even becoming funny because of something that is regarded as societally inappropriate and educational wrong, today, it seen as normal such as falsification of result/certificate/scores, examination malpractice etc. These two vibrant and viable sectors in consideration are the bases for any country's holistic development, can be described as having dilapidating structures, infrastructures decaying and collapsing, poor method of quality assurance, declining quantity and quality of products as well as in teachers and graduants, etc. Yet the leaders are clamoring for national development without perceiving the educational need of the country on daily and annual basis. Also

Leadership Strategies for Economic Development

Leadership roles in economic development cannot be overemphasized. In order to achieve this, a number of strategies for economic development have been proposed. Some of them include:

- Engaging and embracing technological and digital development strategies for economic and educational development for nation building cannot be overemphasized.
- Sole-government financing the economy and educational sectors. Nigeria is enormously wealthy to provide complete and free education at all levels. This can also be at the tiers of government- federal, State and Local Government. Also, it should be short-term, medium-term and long-term strategies.
- Complete private sector involvement, incorporating individuals, corporate bodies and organizations. This strategy had worked out in many businesses in Nigeria;
- The triangular strategy of the government, private sector and the industry or educational institution. In other word, it is the joint partnership financing. A good example is the Federal or State Government joint venture with NNPC/SPDC/Mobil and others.

In Nigeria, a variety of these models or strategies have been tried. The early education enterprise, for example, was dominated by private sector involvement. But at the moment, the joint-partnership model is being adopted, because there is the practical realization that no single economic sector can finance education alone. The Federal Government, in its National Policy on Education, recognizes education as an expensive social service, requiring adequate financial provision from the Federal, State and Local Governments, as well as the Local Communities, individuals and organizations (FRN, 2014).

One other area of inter-dependence between economy and education is in the area of *employment*. The system of education and nature of economy determines the profitability of

employment. Thus, where the educational system produces the right manpower for the economy, the profitability of employment will be relatively high, because there will be no cases of unemployment or under-employment. Indeed, the educational system and the level of economy combine to determine employment prospects.

Again, the relationship of economics with education can be seen in the area of *demand for education*. The demand for education will normally be reflected in the provision of educational institutions and facilities. Accordingly, Schools and colleges are either expanded or established in order to meet up with the demand. These institutions must be carefully planned to ensure that the number of student places are adequate. The creation or expansion of educational facilities in response to demands will however depend on the viability of the economy. Where the economy is not buoyant, it is unlikely that the demand for education will be met. Any reaction to educational demands will always reflect the overall nature of the economy.

Finally, the relationship of the economy with education can be further discussed in the area of *resource allocation to education*. Efficiency criteria, which is an important attribute to both education and economics, stipulates that scarce resources should be invested in areas of maximum returns and in the most efficient way. Efficiency dictates that resources should be so allocated as to ensure minimum running cost and minimum wastage. Since education is never planned in isolation, but in relation to other sectors of the economy, it then implies that whatever affects these sectors also affects education. On the whole, it could be seen from our discussion so far, that the link between education and the economy is an interactive one: what affects one affects the other.

CONCLUSION

Leadership influence is the key factor in nation building. The key players such as the government, private sector, institutions and digital system in the economic development cannot be over emphasized and overlooked. The economic development in Nigeria is not what it is today compared to the enormous wealth in the country. Leadership in political and institutions have great influence on all sectors in the economy, and there is a great relationship among them especially the educational and economic sectors.

Suggestions

The following suggestions were made based on this paper. These include:

- Engaging and embracing technological and digital development strategies for economic and educational development for nation building cannot be overemphasized.
- The government has sole responsibility in structuring and restructuring the economy and educational sectors by investing for generations to come.
- There should be joint partnership of government and private sector in the provision for the economy and education development.
- Also, complete private sector involvement, incorporating individuals, corporate bodies and organizations for robust economic and educational development.
- The political appointments should be based on merit and electoral processes should be free, fair and without any form of human and technical glitches.

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