

Industry or Conducive Environment: Source of Successes of Past Generations

Our fathers' generation seem to have done exceedingly well out of Nigeria. And this is in every venture they embarked upon. For their successes, we commend them. Almost all of them did well and prospered in the same Nigeria that seems to bewilder the younger generation as they stagnate, nay, regress economically and socially. We are not unaware of what a good number of the youth must resort to just to survive.

Let us think about this for a moment: Are the youth of today not making progress because they are plain indolent as was notably said at some point? Or put differently, can we adduce our fathers' generation's successes to their industry only? There is this general tendency to be dismissive of the lack of progress of the youth. Without disparaging the efforts and industry of our fathers, we cannot dismiss the importance of a conducive environment. Some of them came out of universities and slid into jobs without much competition. Some of them rose in the military and reached the zenith without the ardour or struggle experienced today. Some of them went into trade with minimal education, and they prospered.

Two things come to mind: opportunities were plentiful, and the environment conducive. Without a conducive environment, opportunities will not abound. The definition of a conducive environment rests on three planks: environment that makes it easy to engage in economic and business activities, stable macroeconomic conditions, and security. In the absence of conducive environment, even the most articulate economic policies and development plans will fail to attract investment. Empirical studies that examined the importance of conducive environment show strong positive correlation between conducive business environment and output and productivity[1], nexus with economic growth and poverty reduction[2], and business environment in developing countries are hostile to market-led growth.[3]

Let us look at the case of farmers then and now. A farmer then inherited land from his father, just as the ones today do from their fathers. The difference is the land has been divvied up so much that today's farmer gets a sliver of land that is barely bigger than a hectare compared to a sizeable tract of land the previous generation got. Back then, marketing boards guaranteed produce off take. This encouraged farmers. Industries were plentiful to process their produce. Infrastructure was insufficient but demand and usage were light. This minimised delays and wastage. At the end of the day, the farmer became prosperous. Direct result of effort. There is a tendency to think that today's farmer does not work hard enough and that is why he is mired in poverty. Today's farmers have deteriorated soil quality,

inefficient and outdated agronomy techniques, consequences of climate change on fauna and flora, and water, insecurity, degraded and inadequate infrastructure, lack of access to capital, ineffective and insincere policies, etc., to contend with. It would be completely disingenuous to ignore, conveniently or otherwise, the import of a conducive environment.

So, we must accept that the role a conducive environment plays is not trivial. It will suffice to say that from a researcher perspective, the key questions revolve around correlation and causality. It is not merely scholarly indulgence; their finding should help in fashioning appropriate policies and responses from government to improve welfare of citizens. Coming back to the main point: if conducive environment is key to success, interest should focus on the environment itself. Who created the environment that led to the success of the previous generation? This cannot be reduced to the divine intervention alone, as we are wont to do in this part of the world. Someone or a group of people deliberately and effectively harnessed the resources that were divinely provided. The question of who is not that important. If it is acknowledged that a conducive environment is key, then the question should be: Has sufficient attention been paid to ensuring a conducive environment for future generation? Even if the environment was not made conducive with the previous generations in mind, the point is that they benefitted from it.

This brings us to the related point of natural resources that the country has been blessed with, which unfortunately have witnessed rapacious exploitation by past and current generations. This has further fuelled graft at rates hitherto unfathomable by the previous generations. That is a conversation for a later date.

Not only have the resources been exploited without any consideration for the future or next generations but the landscape has largely been despoiled and denuded, making the environment harsher and hostile for productive enterprise. We exploit oil and gas to boost revenues to pay salaries and develop social and economic infrastructures that fail to uplift the people. Those that can afford to buy petroleum products, imported at great cost and in detriment of the people, do so with reckless abandon to fill their vehicles and generators to produce noxious effluence, which wreak havoc disproportionately on the health of poor people. Minerals and iron ores are extracted from the land leaving gorges, poisons in their wake, as remainder of our reckless predisposition. Is it any surprise that rural-urban drift continues apace with life and welfare worse in towns and cities than rural areas they fled from?

This is not a lamentation; it is a call to action. Every system needs to be moderated.

Unbridled *laissez faire* approach to management of the economy, and resources, has led us to embark on a race to the bottom. As much as we celebrate hard work and success, it would be completely remiss on our part to ignore the role of a conducive environment.[4] Efforts should be on creation of a stable, vibrant, secure, and conducive environment. Nigerians are very hardworking, and they enjoy life. Only a conducive environment can make them thrive. Our fathers and forebears showed that with industry, success is guaranteed. Today's generation are industrious, perhaps even more than previous ones, yet their efforts do not move the needle. That is simply because government has not paid enough attention to the key role conducive environment plays and, has inadvertently, allowed a situation akin to that described by Harding in his treatise, *Tragedy of the Commons* (1968). With inflation, unemployment, and poverty galloping out of control and making lives of Nigerians unbearable, it is imperative that government focuses on what some consider its primary duty. The creation and sustainability of a conducive environment is not just its primary responsibility, it is necessary, and it fulfils a key sufficient condition for economic growth and development. Without it, generating economic activities and creating jobs, which are key to improving lives, banishing poverty, reducing insecurity, will remain elusive.

[1] E. Bah and L. Fang, 2015, *Impact of the Business Environment on Output and Productivity*, African Development Bank.

[2] Ncube et al, 2021, *The Links between Business Environment, Economic Growth and Social Equity: A Study of African Countries*, *Journal of African Studies* 2021, Vol. 22 No. 1, 61-84.

[3] Xu, L.C., 2010, *The Effects on Business Environment on Development: Surveying New Firm Level Evidence*, World Bank.

[4] DFID, 2008, *Growth: Building Jobs and Prosperity in Developing Countries*