

## **IMPACT OF RELIGION ON ECONOMIC DIVERSIFICATION IN NIGERIA: AMIDST RELIGIOUS CONFLICTS**

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### **Abstract**

*Operating a mono-economic structure and the constant reliance on oil sector has been viewed as the major challenges of the Nigerian economy. The prospect of Nigerian economy towards attaining a sustainable growth and development, as many Economists would observe, requires the correction of this existing structuring distortions. Diversification of her economy is seen as the easiest way to record this growth and development in the economy. Unfortunately, the influence of Religion on this growth and development has been relegated to the background. Can there really be any visible economic diversification programme/project in Nigeria amidst the present religious sentiments and turmoil in the country? It is this gap that the present study proposes to fill. The study among others aims at unraveling the impact of religion on economic diversification and growth in Nigeria. The study draws on data from available literature but bent on analyzing them critically using descriptive phenomenological method. The study found out that religion can either play a positive or negative role in the economic growth and development of the country.*

**Keywords:** Impact, Religious Conflict, Economic Diversity and Religion.

### **Introduction**

National development is a process of improving the range of opportunities that will enable individual, humans and communities to achieve their aspirations and full potential over a sustained period of time while maintaining the resilience of economic, social and environmental system (Munasinghe, 2004). Economic development on the other hand, is the process of growth in total and capital

income accompanied by fundamental changes in the economy (Oguji and Kene, 2009:9). It is both the tool and the variables of national development, and it has three major phases- pre-industrial phase/ primary stage (low levels of growth and low income per capita), industrialization phase/ secondary stage (high growth rates and sharp increase in income per capita) and finally, the post-modern/ post- industrialization phase/ tertiary stage (modest levels of growth and high income per capita). Diversifying the economy is generally seen by Economists as the easiest way to record a remarkable and sustained result on the economy and on the national development of a nation at large.

The present economic system- the mono-economic structure and the sole dependence on one resource is believed to be the major threat to Nigerian National development. The negligence of non-oil sectors of the nation, which has been the lead income-base of the nation before the discovering and exploration of oil, poses a great risk vulnerability to the economic life and national development of the nation. Hence the need to diversify her economy through harnessing other resources and sectors become not only necessary but urgent. This explains the consistent call for “Economic Diversification”. However, from available literature it is obvious that the idea and concept of Economic Diversification is not entirely new to Nigeria? As a matter of fact, there are quite number of attempts (vision/ policies/ plans) made by Nigerian past government towards diversifying the economy.

Unfortunately, the extent to which the objectives of these plans/ decrees have been reached remained questioned. For many the result was below expectations and a failure. Though Nigeria has witnessed many development plans since inception as democratic and sovereign nation, none of such plans has achieved the objective of emancipating the country from crushing economic backwardness and underdevelopment (Folala, 2012). There are list of factors seen as being responsible for the failures and some recommendations on how to address the plans in the future.

From the above premises it is quite obvious that religion has an outstanding impact on the entire economic development process of the country. The reason for the failure of most of these past programmes of the government was supplied by researchers and they include Conflicts. Viewing the cause of the failure from both internal and external conflicts, (Folala, 2012) opines:

The cause can be located in certain internal and external factors. These factors are partly natural and partly man-made. For example, the contemporary conflicts and crisis to which Nigeria has been subjected in modern times are grave manifestations of poor leadership. Among these crises are Niger Delta crisis, the MASSOB agitation, the Boko Haram up-rising, the surging unemployment state, etc. these are in our opinion, manifestations of leadership failure consequent upon lack of knowledge of economic and political history of our nation (p.63).

Some of the articulated prospect of future development plans in Nigeria include;

1. A well-articulating information/ sensitization programme for the masses,
2. Inculturation of right moral value
3. Mobilization of the people for programme,
4. Strengthening the institution and finally
5. Acquisition of the right needed skills.

### **Concept of Conflict, Religious Conflict and Economic Diversifications**

It is usually better to begin a work by first clearing the definitional fogs that might inhibit a clear understanding of the topic under review. And the terms include conflict, religious conflict and economic diversifications.

The terms conflict, religious conflict and economic diversifications have been severally defined by different authors at various times under different historical, cultural and ideological influences. Francis (2007) sees conflict as the pursuit of incompatible goals by different groups. There is yet another more elaborate definition of conflict given by Coser in Ugwu (2009:519) as a struggle over values or claims to status, power, and scarce resources in which the aims of the conflicting parties are not only to gain the desired values but also to neutralized, injure or eliminate their rivals

On the other hand religious conflict according to Gofwen (2014 in Ugwu 2009:519) is a specific form of conflict between groups which differed ideologically along religious lines within a pluralistic setting with each striving for political relevance. Economic diversification simple put is "movement into new fields and stimulation and expansion of existing traditional products. It does not discourage specialization, but requires that resources be channeled into the

best alternative uses (Ayeni, 1987 & Iniodu, 1995). It is the strategy of investing in a variety of assets. It is one of the two general techniques for reducing investment risk. The other is hedging. Economic diversification on the other hand is the degree to which an economy's mix of industries, sectors, skill levels and employment levels differ from a larger reference economy. Economic diversity is the ability of having a wide variety of jobs- not just in different industries, or in different pay scales but also different backgrounds. Three areas of economic diversity include in industry, in industry categories and in human capital (Talent). Talent according to him, is everything when it comes to attracting new business (Nave Andrew (n.d). option for diversifying an economy abounds. It includes agriculture, entertainment, financial services, industrialization, information and communication technology, tourism etc. The simplest example of diversification is provided by the popular proverb "don't put all your eggs in one basket". It is believed that dropping ones eggs in one basket will break all the eggs and placing each egg in a different basket is more diversified and then safer. There is more risk of losing one egg, but less risk of losing all of them. A common path towards diversification is often to reduce risk or volatility by investing in a variety of assets (or basket in this analogy here).

Economic diversity has often been promoted as a means to achieve the economic goal of stability. Few empirical studies have been able to relate higher levels of diversity to both economic stability and overall levels of economic activity (diversity). The stability of diversifying the economy is linked with the dependence on more than one or a few sectors encouraged by diversification, which yields positive economic outcomes when those sectors are growing. Since dependence is a source of vulnerability when key sectors find their competitive position threatened. Other things being equal, diverse economies tend to be more stable because they are less dependent on single industries of firms. The broader mix of economic activities in a place means that decline in one sector may sometimes be offset by growth in another. Advantages of diversification of economy abounds. Diversification fosters a more creative and innovative workforce, a key aspect of entrepreneurialism, and help to create a competitive economy in a globalized world (Sophia Kerby & Crushy Burns, 2012).

### **Economic Diversification and the Nigerian Experience**

The two major need for diversifying the Nigerian economy as observed by many Economist and social analysts is hinged on the effect of depending on a single commodity-oil; which come with the relegation to the background of other

sectors of the economy and the inefficacious management of oil revenues in driving the economy to a commendable level of development. Many other findings posit that after 5 decades of oil exploration activities, a good percentage of Nigerian's still live in abject poverty; unemployment is low productivity (A. Utting & Etengu Onum, 2013). For Nigeria to break loose from the problems inherent in this scenario especially one largely dominated by oil, which is subject to depletion, international price shocks and unfavorable quota arrangement, the need for diversification becomes pertinent.

Economic diversification or a move towards diversifying her economy features prominently in most of the development plans and broad policy agenda of various Nigerian governments since independence. Nigeria's first development plan covered the year 1962 to 1968, the second plan 1970 to 1974, the third covers 1975 to 1980 (5 years plan). Besides these earlier development plans, there were later development plans, such as, the vision 2010, 2015 and 2020 etc which were all believed to have been designed to boast the Nigerian economy (Folala,p.63,n.d). Even the 7 point Agenda touches on diversification with emphasis on making a shift from the undue emphasis on oil and gas. In agricultural sector to be precise, there have been a recorded in-road/ plans towards strengthening the sector and by so doing, achieving the broader goal of diversifying the economy. Notable among these programmes is the Structural Adjustment Programme (SAP) of 1986, which one of the objectives was to "restructure and diversify the productive base of the economy", with a view to reducing dependence on the oil sector and imports. In agriculture we have plans/ policies such as;

1. Agricultural Development Projects (ADPs) of 1972
2. Re-organisation of Agricultural Research Institute Decree 33, of 1973
3. National Accelerated Food Production Project (NAFPP)of 1975
4. River Basin Development Authorities (RBDAs) Decree 25 (Amended 1977, 1979) of 1976
5. The Green Revolution Programme of 1980
6. Directorate of Food, Roads and Rural Infrastructure (DFRRI) of 1986
7. State- Wide Agricultural Development Projects (SADPs) of 1991 and finally
8. Agricultural policies under vision 2020 of 2007 to date, and their objectives were geared towards -ii. Achievement of self-sufficiency in food product, i. The achievement of increase in productivity iii. Self- sustained growth in agricultural sector; and iv. The realization of structural transformation.

Appraisal of these plans, as many Economist and researchers observe, indicates that the result was below expectations and a failure. Others insist that though Nigeria has witnessed many development plans since inception as a democratic and sovereign nation, that none of these or such plans has achieved the objective of emancipating the country from crushing economic backwardness and underdevelopment (Folala 2012). The reason for these negative or poor outcomes of the plans abounds. The cause, as Folala maintains, can be located in certain internal and external factors. These factors are partly natural and partly man-made. For example, the contemporary conflicts and crisis to which Nigeria has been subjected in modern times are grave manifestations of poor leadership:

Among these crises are Niger Delta crisis, the MASSOB agitation, the Boko Haram up-rising, the surging unemployment state, etc. These are in our opinion, manifestations of leadership failure consequent upon lack of knowledge of economic and political history of our nation (p.63)

Aside the above reasons, other scholars tend to associate the weakness/ failure of these plans to factors such as:

1. Insincerity in the implementation of the policy/ plans,
2. Uncoordinated institution (lack of strong or capable institution),
3. Corruption, lack of strong institution and needed skills (Soludo, 2018).

To checkmate these, some researchers have proposed the following remedies:

1. A well-articulated information/ sensitization programme for the masses
2. Inculturation of right moral values
3. Mobilization of the people for programme.

### **Impact of Religion On Economic Diversification In Nigeria**

By impact we mean a marked effect or influence or even the impression of religion on Economic Diversification in Nigeria and of course, on national development. The impact religion has on the society and the economy has been constantly re-emphasized. Religion as Mbiti (1999:1) made us to understand permeates all departments of life to such an extent that it is not easy or possible to isolate it. Religion observed Omoregbe (1999) is such a prominent feature in human society that it cannot be simply ignored; and the history would be incomplete without reference to religion. It has aided social programmes,

education, development, interpersonal and international cooperation etc. For Ibenwa and Iheanacho (2017:49) religion is a system of building social development and ethical culture of any given society.

For the Africans, “to live is to be caught up in a religious document”. Religion is indeed fundamental for Africans, since human beings live in a religious universe. Religion constitutes the main fabric of African societies and is intertwined with their general existence, including their socio- political and economic development (Schuuran, 2011). The saying that African’s live religiously, eats religiously and dies religiously is not a mere saying. There is hardly any aspect of an African live that is not influenced and moderated by their religious ideology. Same reality is the case with Nigeria. Excluding the influence the three major religious ideologies of the nation has on the economic development and diversity of the nation will amount to serious oversight. The need and usefulness of diversity was stressed by Christian Religion in Ecclesiastes (11:2) “put your investments in several places, many places, in fact, because you never know what kind of bad luck you are going to have in this world (NJ. Bible). From critical appraisal of these impacts, one would identify both positive (healthy) and negative (unhealthy) impacts. Positive impacts of religion on a nation include:

1. As an institution: religion has the capacity to foster and propagates government plans and programmes aimed at promoting diversification. Among Christian Religion, the Church for example has strong institutions, such as health institution, schools, income generating sectors, support groups that the government can work with in the propagation of her diversification ideology.
2. As a moral or value- orienting organ: religion could be of immense importance to the government in the inculcation of right values and moral principles required in the process of diversification of the economy. Since one of the challenges of past economic diversification plans has to do with lack of right principles and corruption. Religion could help through teachings to restores the needed and required attitude towards diversification in Nigeria.
3. As Human formation organ/ agency: religious institutions remain an important and outstanding organ in human / character formation in any country. As such, Religious Organizations / Institutions in Nigeria should be seen as an important stakeholder in any successful economic diversification plans/ programmes in the country.

However, there are also some challenges often posed by religious institutions which can disrupt the positive attributes and impacts of the institution to economic development of the country. Some of these challenges are:

1. Religious violence and the effects: Most of the religious unrest often results in destruction of government establishments and investments. This is a slide to any progress in development of a nation.
2. The unhealthy relationship between the religious leaders and the political leaders: this has been identified as one major challenge that diminishes the healthy impacts of religion to a nation. Some Nigerian religious leaders are biased in their position due to their self-centered interest and relationship with politics and political leaders. Most of them are referred to as cash-and carry men of God who are only interested in boosting their bank accounts and prestige. Some of them connived and are still conniving with our failed leaders to impoverish the people more and more since they do not want to lose the benefits and privileges they enjoy being close to the corridors of power.
3. Its negative effect on education is a huge one. It leads to closure and altering of school calendar thereby prolonging the stay of our children in schools. For instance, the abduction of over 200 Chibok secondary school girls of 15<sup>th</sup> April, 2014 led to the closing of the school. Lending credence to this claim Ugwu (2018:13-14) writes that on 19<sup>th</sup> February 2018, Boko Haram kidnapped over one hundred female students from Federal Government Science and technical College, Dapchi in Yobe State and this indeed paralyze school activities. (News Agency of Nigeria, 2018 cited in Ugwu, 2018:13-14). In line with this Ibenwa, Okoli and Mgbaegbu (2017) aver that whenever there is any serious terrorist/religious attack in any part of the country or in educational institution, the students are usually asked to go home and to come back at a later time when the school authority feels that there is an enabling environment for teaching and learning. By so doing, the school calendar is normally altered and prolonged. At times, a student who is to spend only four years in a course will spend more years as a result of crises.
4. Wanton destruction of lives property. Each time there is any religious war lives and property are destroyed, some are injured lightly, some maimed and others killed. This no doubt reduces workforce, that is the number of people that are available for labour and production output, thereby effecting the nation's GNP. Corroborating this fact Ibenwa (2014) attributes

the following activities to Boko-Haram Islamist terrorist group, the bombing of police force headquarters in Abuja on 16<sup>th</sup> June 2011 claimed 6 persons and 73 vehicles destroyed and created atmosphere of tension. Likewise, the bombing of the UN House at Abuja on 26<sup>th</sup> August, 2011 caused diplomatic strain. At least 23 persons (11 UN personnel and 12 non-UN personnel) were killed. The 25<sup>th</sup> Dec. 2011 bomb explosion at St. Theresa's Catholic Church in Madala, Niger State.(Okwor, 2012) .and Nyanya bomb blast that occurred at Nyanya motor park on 14<sup>th</sup> April,2014 with over 88 people dead and 200 injured, to mention but a few, are further examples.

5. Discourages foreign investment: When the foreigners that came to invest in our country see these things happen often as it is happening this day in Southern Kaduna, Zamfra state, Born state, Kano state, Plataeu state,they feel that their lives and investments are not safe, they are discouraged and may decide to close their companies and go. Attesting to this point Ibenwa, Okoli and Mbaegbu (2016) Comment that persistent terrorist attack discourages foreign investment. Foreigners, who come to do business in Nigeria, when they witness these terrorist attacks, know that they or their businesses are not safe. They get discouraged because of insecurity of their lives and property. The tendency is that they may decide to withdraw and go back to their various countries thereby withdrawing their investments.
6. *It leads to decrease in workforce/output/inflation:* During religious riots men, women and children are killed. The perpetrators of these terrorist acts are mainly youths. They kill people and they themselves are also killed. These actions have tremendous negative effects on the work force. As a result of these killings the country's output in the labour market is affected and this, in turn, has led to scarcity and inflation in all areas of human endeavour, particularly agricultural products like tomatoes, onions, carrots, cucumber, cabbage, pepper, etc Ibenwa, Okoli and Mbaegbu (2017)..
7. It creates artificial scarcity of goods and services: because each time there is any serious religious war farmers usually run away from their farms and refuse to come back until after a long time for the fear of reprisal attack, so also the public and civil servants. Aligning with this view point, *Ibenwa, Okoli and Mbaegbu (2017) argue that* during religious disturbances commercial activities are disrupted. Some business activities are put to a halt and this leads to scarcity of commodities produced in those areas. For instance, in Jos, Kano or Kaduna, any time there is any serious terrorist

attack, traders that go to those places to buy commodities like onions, melon, cucumber, carrots, Irish potatoes e.t.c would not go.

## **Conclusion and Recommendations**

Notwithstanding the negative effects of religion on economic diversification in Nigeria and on the entire life of the nation, the present study maintains that religion still has a strong value and influence that can be utilized in achieving economic diversification goals of the country. As such, our leaders are encouraged to positively utilize the potentials of our religious organizations, especially, religious values and ideologies in sustaining any economic diversification programmes in the nation. The study therefore recommends as follows:

1. The government should work with religious leaders in the inculcation of the needed moral values and principles in economic diversification in Nigeria.
2. Government should make use of religious institutions, such as health facilities, schools, support groups, income generating programs and tourist sites in the administration of the economic diversification plans/ programmes of the country.
3. Government should not be tribalistic in appointment of people into economic diversification programmes and in the choice of areas to be developed.
4. Also government should not allow religious affiliation to come into play in selection of people for economic diversification programmes.
5. It is the contention of the authors that the government should first return to agricultural programme over and above any other consideration for economic diversification programme.

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