

# ENTREPRENEURSHIP & DEMOCRACY AS CATALYSTS FOR A PROSPEROUS NIGERIA

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Second Position



## Introduction

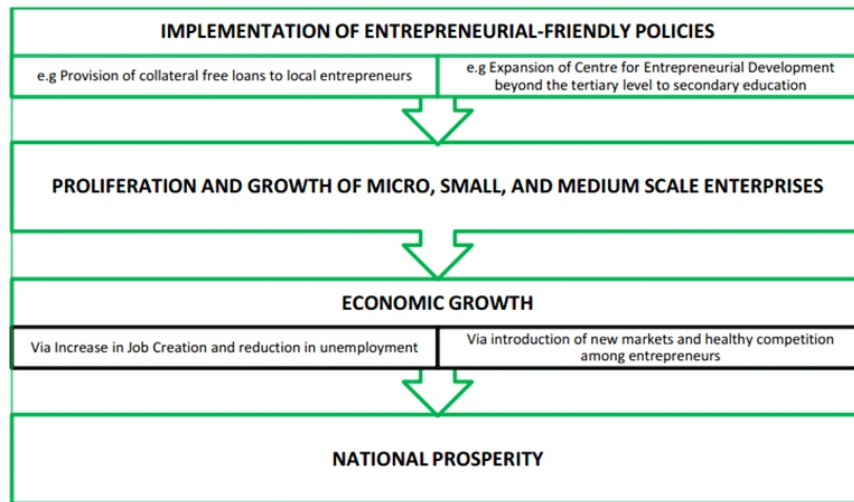
Can Nigeria leverage its abundant human capital to reshape the country's trajectory, steering it away from orbiting towards a black hole of anarchy but towards a future characterized by prosperity and advancement? Or is it overly optimistic to envision Nigeria overcoming the grip of corruption and becoming "The Nigeria of our Dreams"? The answers to these questions are undoubtedly intricate. Nevertheless, it is clear that over time, a nation's history can be amended. If time is a critical element in the nation's advancement towards prosperity, then how can this gradual process of positive change be accelerated? This question leads us to a fundamental aspect of this discourse: Catalysts; that which can expedite the realization of the desired outcome. Therefore, if a thriving Nigeria is the aspiration that we earnestly pursue, then we must acknowledge the pivotal roles of entrepreneurship and democracy as time-efficient pathways to it. This acknowledgement brings us to the exploration of the topic of Entrepreneurship and Democracy as Catalysts for a Prosperous Nigeria.

Entrepreneurship and The Prosperity of Nigeria: Where the Intersection Lies According to Porter (1990), entrepreneurship is at the heart of national advantage. The provided statement eloquently underscores the essence and significance of entrepreneurship for a nation.

Nigeria's wealth of human capital positions it ideally to reap the full benefits of entrepreneurship. Notably, a 2012 study by the Global Entrepreneurship Monitor identified Nigeria as one of the world's most entrepreneurial countries, with 35% of its citizens involved in entrepreneurial activities. To harness this potential, the government should implement entrepreneurial-friendly policies to foster the growth of micro, small, and medium-scale enterprises. This approach would create job opportunities, mitigate unemployment, and drive economic growth.



**Figure 1: Entrepreneurship as a Catalyst for Economic Growth**

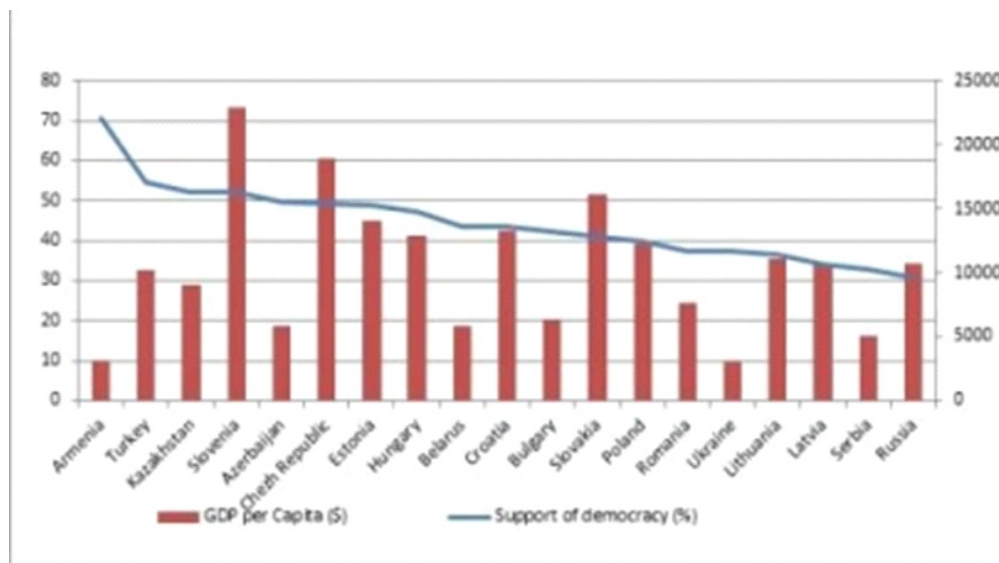


**The Role of Democracy in the Realization of a Prosperous Nigeria**

“Democracy is the foundation of prosperity.” - Lee Kuan Yew (Former Prime Minister of Singapore). A country's democracy significantly influences its economic growth and overall prosperity. Nigeria, with a democracy index of 4.23 and classified as a hybrid, faces challenges such as investor scepticism, corruption, and international isolation.

A robust democracy, on the other hand, attracts vital factors for economic growth. Evidence shows a strong link between democratic support and economic performance, measured in GDP. For instance, Slovenia, noted for its strong democracy, leads in GDP among the countries surveyed, underscoring the positive relationship between a well-functioning democracy and economic health.

**Figure 2: Correlation Between Strong Democratic Support and GDP Per Capita (Source: WDI and LITS 2010).**

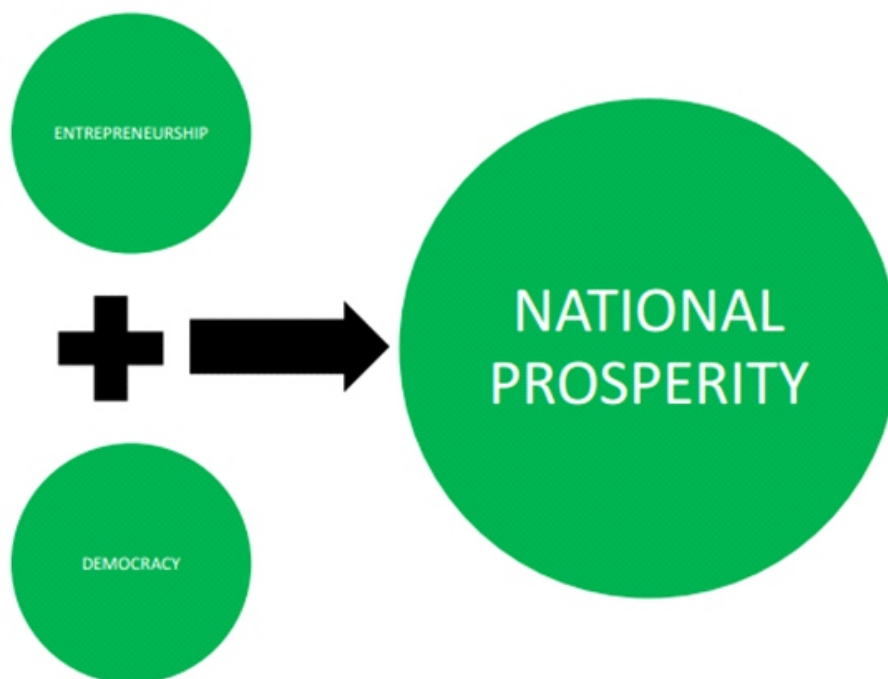


## Botswana as a Convincing Case Study on How Democracy and Entrepreneurship Can Catalyze National Prosperity

The idea that Entrepreneurship and Democracy can act as driving forces for a prosperous Nigeria would remain hypothetical without a specific reference, particularly from an African nation. Botswana serves as an excellent example of how democracy and entrepreneurship can significantly impact a country's overall prosperity. According to Wikipedia (Economy of Botswana, 2024), currently, Botswana boasts one of the world's fastest

growing economies, with an average annual growth rate of about 5% over the past decade. The country is rated as the least corrupt country in Africa by Transparency International. It has a corporate tax rate of just 15% compared to Nigeria's 34%. Botswana's embrace of sound democracy, reflected in its low corruption and its' prioritization of entrepreneurship, are both contributing factors to the country's GNP per capita, which is currently above the world average.

**Figure 3:** Entrepreneurship and Democracy as Catalysts for National Prosperity



## Strategies for Harnessing Democracy and Entrepreneurship Towards The Prosperity of Nigeria

Outlined below are strategies that could leverage entrepreneurship and democracy to augment Nigeria's economic prosperity:

1. Provision of collateral-free loans to local entrepreneurs.
2. Reconfiguration of the educational curriculum to make entrepreneurship training mandatory in secondary schools.
3. Development of a home-grown democracy tailored to suit the political and economic landscape of Nigeria.
4. Establishment of a transparent government system where government spending is tracked, and accountability is maintained in government operations.

### Conclusion

The tripartite nature of democracy, entrepreneurship and prosperity is a meaningful connection that must be given closer attention if Nigeria is to advance and develop into a prosperous country. A stable and robust democracy, when complemented with a solid entrepreneurial system, can set the country on a course to prosperity.