Nigeria's Paradox of Growth and Poverty: The Ruling Class and the Massification of Socio-Economic Deprivation

Epoweide I. Koko (Ph.D)
Department of Political Science
Faculty of Social Sciences
Niger Delta University
P.M.B. 071 Wilberforce Island
Bayelsa State Nigeria
Email: epoweideisaiah@gmail.com:
GSM: +2348039133017/07056864120
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Abstract
Nigeria's economic progress and pervasive poverty and socioeconomic hardship are a recurring conundrum. Despite Nigeria's abundant natural resources, sizable domestic market, entrepreneurial potential, and times of economic growth, a sizable section of the population nevertheless faces multifaceted deprivation, low income, unemployment, and subpar public services. By examining the connections between Nigeria's ruling elite, institutional structures, and the allocation of the advantages of economic expansion, this paper investigates the conundrum. It contends that insufficient growth, population increase, inflation, or unemployment cannot account for the persistence and massification of deprivation. Instead, it stems from a political economy marked by resource dependence, rent-seeking, elite dominance, poor institutional accountability, unequal access to economic opportunities, and insufficient social safety. Based on documentary examination of academic literature, official figures, government publications, and reports from international development organisations, the study uses a qualitative research design. The analytical frameworks for elucidating how political power and institutional institutions influence resource distribution and socioeconomic consequences are provided by Elite Theory and Institutional Theory. According to the report, Nigeria's progress has not been adequately inclusive, with low levels of productive employment, ongoing infrastructure deficiencies, insufficient investments in human capital, and a lack of social protection all contributing to the perpetuation of poverty. It comes to the conclusion that lasting poverty reduction necessitates more than just overall economic growth; it also calls for responsible institutions, productive diversification, employment-centred policies, efficient public administration, more robust social protection, and fair allocation of national resources. The study promotes inclusive, developmental, and accountable governance as an alternative to elite-centred rent distribution.

Keywords: *Economic Growth; Poverty; Ruling Class; Socioeconomic Deprivation; Inclusive Development.*

1. Introduction

1.1 Background to the Study

As a result of the fact that consistent gains in the production of goods and services are typically anticipated to raise incomes, employment, investment, and government revenues, economic growth plays a fundamental role in development discourse. According to traditional economic theory, a growing economy should give people and households the chance to improve their material circumstances. However, the Nigerian example shows that while economic growth is vital, it does not always result in widespread gains in human welfare. While poverty and various forms of hardship have persisted, Nigeria has seen periods of economic boom, huge oil income, rapid growth in telecommunications and financial services, increased entrepreneurial activity, and major public spending. Therefore, the contradiction goes beyond the fact that Nigeria has resources but poverty (World Bank, 2024, 2025). The paradox, at its core, is the coexistence of economic growth with a vast social structure in which millions of people are still unable to obtain sufficient food, respectable jobs, high-quality healthcare, education, housing, electricity, clean cooking energy, sanitation, and social security. As a result, the debate goes beyond whether Nigeria's economy is expanding. It has to do with who gains from growth, through whose institutions, under what political conditions, and what the majority of individuals will experience as a result. This paradox is exemplified by the current Nigerian economy (National Bureau of Statistics [NBS], 2022; World Bank, 2025). According to the World Bank, Nigeria has made strides toward re-establishing macroeconomic stability after recent reforms, with improved fiscal and external balances and solid growth, especially in the services sector. However, poverty is still widespread and household incomes have not entirely recovered. As a result, the World Bank emphasises that improved livelihoods and inclusive growth must follow macroeconomic stabilisation. This is not a brand-new circumstance. Since gaining its independence, Nigeria's economic history has frequently seen periods of rising national GDP without corresponding improvements in living circumstances. Although the 1970s oil boom brought in large sums of money, the anticipated shift to a diversified productive sector did not materialise. In a similar vein, mass unemployment, underemployment, infrastructure deficiencies, regional inequality, and poverty persisted during later times of economic expansion. The recurrence of these issues implies that political and institutional frameworks act as a mediator in the relationship between Nigeria's development and economic growth. Therefore, it is essential to distinguish between growth and development. The primary definition of economic growth is an increase in total economic output, which is typically expressed as GDP. Development is more comprehensive. Enhancements in capabilities, living standards, human security, productive opportunities, institutional quality, and citizens' capacity to actively engage in social, economic, and political life are all included (Sen, 1999). When increases in output and national income are accompanied by unequal distribution, little job creation, subpar public services, and the concentration of economic opportunities among a relatively small portion of society, growth can take place without development. As a result, Nigeria's poverty issue is complex. 63% of Nigerians, or roughly 133 million people, were multidimensionally poor, according to the National Bureau of Statistics' (NBS) 2022 Multidimensional Poverty Index.

The measure assessed deprivation in areas including education, health, living standards, employment and security of livelihoods. The NBS additionally documented particularly severe deprivation in cooking fuel, sanitation, access to healthcare, food security and housing. Rural multidimensional poverty was much higher than urban poverty. The enormity of these data transforms the tenor of the Nigerian poverty discussion. Poverty is not a marginal problem affecting a small minority at the outskirts of society. It has become a mass social condition. This

paper identifies this trend as the massification of socioeconomic deprivation. The term relates to the process in which conditions previously experienced by disadvantaged minorities become pervasive over broad portions of the population, while deprivation becomes multidimensional, permanent and progressively replicated across generations. In light of recent pressures from inflation and the cost of living, the issue has grown even more serious. According to World Bank estimates, the number of Nigerians living below the national poverty line increased from 61% in 2024 to 63% in 2025 due to an additional seven million people. According to the same source, productivity and improved job creation are nevertheless hampered by structural limitations, such as poor infrastructure, electricity, and logistics. In a similar vein, the International Monetary Fund reported in 2026 that an estimated 27 million Nigerians faced food insecurity in the latter half of 2025 and that poverty had risen to an estimated 63% below Nigeria's official poverty line. The IMF pointed out that while macroeconomic reforms have improved macroeconomic outcomes, many Nigerians still face challenging living situations. These events highlight the difficulties of using aggregate measures alone to interpret national economic success. A nation's GDP may expand while households' real purchasing power declines. Growth in the financial sector may boost GDP but not create jobs on the scale needed by a work force that is growing quickly. While taxpayers continue to deal with unstable electricity, bad roads, subpar hospitals, and subpar public schools, government revenue may increase. As a result, the political economy of resource distribution becomes crucial.

1.2 Statement of the Problem

Nigeria has a lot of natural resources, a sizable labour force, a lot of agricultural potential, substantial oil and gas reserves, a sizable consumer market, and a thriving private and informal sector, but these advantages have not translated into sustained mass prosperity. This contradiction raises a fundamental question: why does economic growth in Nigeria so frequently coexist with poverty and widespread socioeconomic deprivation? Numerous explanations have been put forth. Population growth, unemployment, low productivity, inflation, instability, poor infrastructure, low human capital, inadequate investment, and reliance on oil are among the issues that some highlight. Others emphasise political instability, rent-seeking, corruption, bad governance, and institutional weakness. Although each of these elements is important, this study contends that they need to be incorporated into a more comprehensive framework of political economy. The Nigerian ruling class is at the centre of that structure. This study does not utilise the phrase "ruling class" to suggest that all politicians, high-ranking government employees, and businesspeople are members of a single, homogeneous group. Instead, it refers to networks of political, bureaucratic, economic, and social elites who have a disproportionate amount of influence over public spending, policy, appointments, contracts, licenses, natural resource rents, and economic opportunities due to their control over state institutions and strategic economic resources. The Nigerian government has vast resources at its disposal. Oil blocks, mining licenses, public contracts, infrastructure concessions, financial interventions, government appointments, and public land access are all distributed by it. Additionally, it establishes the institutional principles controlling markets, taxation, regulation, and public spending. Therefore, access to significant economic rents can be obtained through control of political authority. The issue emerges when political authority is used as a tool for personal gain rather than as a means of creating value for the general population. Amuwo (2010) argues that elite protectionism and the interaction between the Nigerian ruling elite, the postcolonial state, and transnational capital have significantly shaped the country's political economy and development trajectory. In a similar vein, Obi (2010) notes that the petroleum

industry serves as both a source of national wealth and a platform for the undermining of developmental opportunities by elite political interests. Watts (1984) had already shown how oil became intricately linked to political centralisation and state accumulation. There are serious repercussions. Public spending may rise without producing commensurate increases in wellbeing when political institutions distribute funds based on patronage rather than developmental aims. Productive businesses without political access may be left out when contracts are distributed based on political ties. Administrative competence may be compromised when public appointments are viewed as tools of favouritism. Natural resource wealth may not result in widespread economic revolution if petroleum rents are controlled by small networks. Growth without sufficient structural change is the outcome.

1.3 Nigeria's Growth Experience and the Development Paradox

The difference between growth and development is further supported by Nigeria's current economic trajectory. According to the World Bank, the economy expanded by 3.4% in 2024, with growth reaching 4.6% in the fourth quarter. The consolidated fiscal deficit decreased from 5.4% of GDP in 2023 to roughly 3.0% in 2024, indicating improved fiscal performance. These numbers are important. They show that macroeconomic gains can result from economic reform. However, household wellbeing and macroeconomic stabilisation are not the same thing. Nigeria has made strides toward economic recovery and stabilisation, but household incomes have not entirely recovered, and poverty rates are still high, according to the April 2026 Nigeria Development Update. This exemplifies the study's key paradox: growth can occur while development is insufficient. The structure of growth provides a significant explanation. Household welfare may not be sufficiently improved by growth fuelled by industries with high production but few employment multipliers. While employing a comparatively small percentage of the labour population, industries including finance, telecommunications, information and communication technology, and some real estate sectors can produce significant economic value. For instance, millions of good employments for low-skilled individuals are not often created by a financial sector that is expanding quickly. Nigeria needs growth that is both qualitatively and quantitatively revolutionary. Thus, the distribution and makeup of growth are the key concerns. Growth focused on capital-intensive activities or rent-dependent sectors has very different developmental consequences from growth that increases productive employment, raises wages, builds infrastructure, boosts agricultural productivity, strengthens manufacturing, and develops human capital.

1.4 Poverty as a Multidimensional Social Condition

Beyond financial revenue, the Nigerian poverty issue must also be comprehended. Compared to 40.1% under the nation's 2018–19 monetary poverty measure, 63% of the population was multidimensionally poor according to the 2022 NBS Multidimensional Poverty Index. Because it shows that households can suffer from severe deprivation even when they are not considered poor by monetary poverty metrics, the difference is relevant from an analytical standpoint. Inadequate education, poor health outcomes, insecure housing, a lack of clean cooking fuel, poor sanitation, food insecurity, unemployment, and limited access to essential services are all examples of multidimensional deprivation. These drawbacks work together. For instance, a low-income household may have low-quality education, which restricts access to healthcare and wholesome food; poor health lowers productivity and raises expenses; poor infrastructure restricts business opportunities; children in such households may receive inadequate education and then enter low-

productivity informal employment; this cycle is thus passed down from one generation to the next. This is the essence of the reproduction of poverty.

When institutions fail to make up for unequal starting positions, poverty becomes especially entrenched. Individual effort cannot ensure social mobility in a society where access to high-quality healthcare, education, electricity, transportation, finance, and job opportunities is unequal. Sen's (1999) capability approach, which defines development in terms of growing substantive freedoms, is helpful in this situation. A citizen may have formal freedom but not the practical capacity to use it if they lack access to education, healthcare, transportation, power, financial capital, and security. Therefore, socioeconomic hardship in Nigeria is more complex than just low income. The issue is one of limited capacities.

1.5 Employment, Informality and the Massification of Deprivation

The NBS Labour Force Survey for the second quarter of 2024 reported an unemployment rate of 4.3%, but it also revealed that informal employment accounted for 93% of total employment, time-related underemployment stood at 9.2%, and broader the predominance of informal employment thus indicates a deeper structural issue: the Nigerian economy has not produced enough formal and productive employment opportunities to absorb its expanding labour force. An individual who runs a small roadside business for a few hours a day, makes ends meet through sporadic casual work, or engages in low-productivity self-employment may be classified as employed while remaining economically vulnerable. The high level of informal employment indicates a deeper structural issue: the Nigerian economy has not produced enough formal and productive employment opportunities to absorb its growing labour force. The high level of informal employment is significant because unemployment statistics alone can create an incomplete picture of labour-market distress. An individual who runs a small roadside business for a few hours each day, survives through irregular casual work, or engages in low-productivity self-employment may be classified as employed while remaining economically vulnerable.

This is particularly crucial as a big and young population presents both a developmental problem and an opportunity. Demographic expansion can result in a demographic dividend if young people are employed in productive jobs. Demographic growth can exacerbate poverty, social discontent, unemployment, and insecurity if they are denied access to productive options. The quality of the jobs, not just their quantity, is the issue.

1.6 Inequality and Unequal Access to Opportunity

Another important way that poverty and growth can coexist is through economic disparity. It is not necessary for every citizen to have the same income in order for inequality to exist. Instead, it becomes troublesome for development when disparities in wealth and income are linked to unequal access to social opportunities, healthcare, education, political power, and productive assets. Nigeria's elite system makes it possible for political and economic inequality to compound one another. Preferential access to government contracts, licenses, appointments, and public resources may be granted to those with political ties. Then, financial prosperity can be leveraged to gain additional political clout. Further economic accumulation is thus made possible by political influence. Political power leads to privileged access to resources, economic accumulation, increased political influence, and more resource access, creating a vicious cycle. Economic prospects are increasingly linked to networks rather than productive capacity; social mobility may be compromised by such a cycle. Because de facto power allows elites to influence institutions and economic arrangements, Acemoglu and Robinson (2008) contend that elites can retain

political power even when formal institutions alter. In situations where formal democratic institutions coexist alongside unofficial systems of elite control, their thesis is especially pertinent. Therefore, inclusive growth is not a natural consequence of democracy. Officeholders can be replaced through elections, but the fundamental political economy remains unchanged. Elite circulation may happen without structural change if the institutional regulations controlling contracts, public spending, taxes, natural resource management, and public appointments are still vulnerable to capture.

1.7 Petroleum, Rent-Seeking and the Nigerian Political Economy

A key component of comprehending Nigeria's development dilemma is the petroleum industry. Nigeria's financial system was completely changed by oil, which gave the government huge rents. However, political rivalry over control of state resources was also encouraged by petroleum wealth. Because state revenues are mostly dependent on an expanding tax base, political players in a productive economy have an incentive to support measures that increase production. Instead, political actors in a rentier economy can concentrate on limiting access to rents that are generated by outside sources. This distinction is crucial. Nigeria's oil earnings are political as well as financial resources. Elite reproduction, patronage networks, and political alliances can all be shaped by control over their distribution. Iwuoha (2021) shows how patron-client relationships have traditionally impacted oil-block allocation in Nigeria, limiting the petroleum sector's capacity for development and opening doors for elite accumulation. In a similar vein, Asiegbu and Ikeanyibe (2024) demonstrate how the institutionalisation of rent-seeking behaviour has been facilitated by procedures around natural resource funds. The effects are not limited to the petroleum industry.

When a large amount of political attention is directed toward rent distribution, institutions that foster productivity, innovation, and extensive private-sector development may be neglected. Consequently, the political economy may become distribution-centred rather than production-centred. This helps to explain some of Nigeria's dilemma.

1.8 Public Expenditure and the Problem of Developmental Effectiveness

Public funds are supposed to be used by the state to fund collective goods and services. Roads, energy infrastructure, schools, hospitals, water systems, security, environmental protection, and social protection are some of these. However, how resources are distributed and used determines how spending affects development. If infrastructure projects are poorly planned, abandoned, inflated, or distributed through political favouritism, a government may spend billions of naira on them without obtaining the same level of public benefit. Similarly, if resources do not reach schools or if teachers, facilities, and curricula are insufficient, raising education spending does not always result in better learning outcomes. Therefore, the question is not just how much the government spends, but also how well public resources are transformed into public goods. This issue is explained by institutional theory. Public officials may be motivated to pursue personal gain in situations where accountability systems are poor, information is unequal, and monitoring institutions are weak. According to North (1990), institutions set transaction costs and design incentives. Actors can profit from institutional dysfunction when regulations are not strictly implemented. This makes a crucial distinction between resource governance and resource scarcity. Nigeria certainly has financial difficulties, but not all developmental setbacks can be attributed to a lack of resources. There have also been times when the nation has had significant budgets and income. The more challenging topic is why human welfare has frequently not improved proportionately with the resources at hand.

1.9 Human Capital and Intergenerational Deprivation

The key to ending poverty is human capital. Education boosts civic engagement, promotes productivity, and increases employment opportunities. Health lowers household vulnerability and increases labour productivity. Because children cognitive and physical development affects future incomes and educational performance, early childhood development has particularly significant long-term implications. Human capital and early childhood development are heavily emphasised in the World Bank's April 2026 Nigeria Development Update, which makes the case that investing in children will boost future productivity and inclusive growth. This emphasis is important because deprivation frequently starts before people start working. A kid born into a low-income family may suffer from poor early learning, overcrowding, poor nutrition, and restricted access to high-quality healthcare. These drawbacks lower academic achievement. There are fewer job options as a result of poor educational achievements. The cycle of poverty in households is perpetuated by low earnings. This implies that poverty is more than just a modern economic issue. It may develop into a means of perpetuating inequity between generations. Therefore, the Nigerian ruling class has a developmental obligation that goes beyond short-term financial management. Future generations' opportunities are determined by public policies pertaining to infrastructure, social protection, health, and education.

1.10 Infrastructure and the Geography of Deprivation

Another important connection between socioeconomic welfare and economic progress is infrastructure. Both home welfare and corporate productivity are impacted by electricity, transportation, water, sanitation, telecommunications, and digital connectivity. Businesses that rely on generators and other energy sources in areas where electricity is unpredictable face increased operating costs. These expenses limit employment and lower competitiveness. In a similar vein, inadequate roads raise transportation expenses and limit small enterprises' and farmers' access to markets. The integration of rural producers into domestic and international markets is hampered by a lacklustre logistics infrastructure. Infrastructure deficiencies, particularly in the areas of energy, transportation, and logistics, are structural barriers to increased productivity and improved job creation, according to the World Bank's most recent evaluation of Nigeria. Geographical inequality is also a result of infrastructure inequality. People who reside in well-connected urban areas could enjoy easier access to financial institutions, markets, schools, hospitals, and job possibilities. Rural communities may experience several drawbacks at once. A spatial dimension of socioeconomic disadvantage is the outcome.

1.11 Inflation, Purchasing Power and the New Face of Poverty

Even when nominal incomes are the same, poverty might worsen due to inflation. Real buying power decreases as the expenses of housing, food, transportation, energy, and healthcare rise more quickly than household incomes. While existing impoverished homes may be forced into severe deprivation, middle-class households may become economically insecure. This leads to what could be called the "massification of vulnerability," as poverty grows due to both unemployment and the decline in the purchasing power of households that were previously steady. The goal of recent macroeconomic reforms has been stability, although they have had significant short-term distributional effects. Although stabilisation has advanced, household incomes have not yet entirely returned, according to the World Bank. It is not implied that changes ought to be dropped. Instead, social protection and productivity-boosting measures that can shield disadvantaged households during structural change must be implemented alongside reforms.

1.12 The Ruling Class and the Distribution of Reform Costs

A political question is brought up by economic reform: who pays the adjustment costs? Although they can increase macroeconomic efficiency, market restructuring, taxes, fiscal consolidation, exchange-rate reforms, and subsidies can also have an immediate negative impact on households. Adjustment expenses are frequently disproportionately borne by common residents in areas with inadequate social protection. A politically powerful organization might be better able to get foreign exchange, access financial assets, relocate capital, protect itself from inflation, or take advantage of new investment opportunities. Conversely, low-income households have fewer safeguards. A distributive disparity in reform results from this. Therefore, the question is more than just whether a reform makes sense economically. The distribution of reform's costs and benefits among social groups must also be taken into account by a government focused on development.

1.13 Research Questions

The following research questions serve as the study's compass:

1. Despite times of economic expansion, why has poverty and socioeconomic disadvantage persisted in Nigeria?
2. What impact has the Nigerian ruling class had on the allocation of financial resources and prospects for development?
3. How has the massification and perpetuation of socioeconomic hardship been influenced by institutional flaws?
4. How is the growth-poverty paradox reinforced by petroleum dependence, rent-seeking, informality, and poor human capital development?
5. What institutional and legislative changes can convert economic expansion into development that is sustainable and inclusive?

1.14 Objectives of the Study

The study's main goal is to analyse the role of the ruling class in the massification of socioeconomic deprivation in order to investigate Nigeria's conundrum of economic growth and poverty. The particular goals are to:

1. Analyse the connection between Nigeria's ongoing poverty and economic growth;
2. Examine how the ruling class affects the distribution of resources and socioeconomic results;
3. Investigate the institutional systems that perpetuate inequality and poverty;
4. Examine the connection between rent-seeking, petroleum rents, and developmental results;
5. Evaluate how poor social protection, infrastructure shortages, human capital deficiencies, and informal employment affects the fight against poverty; and
6. Make policy recommendations for converting growth into inclusive development.

1.15 Significance of the Study

The study is important from a theoretical, empirical, and practical standpoint. By combining Elite Theory and Institutional Theory to explain why growth does not always equate to development, it theoretically adds to the literature on political economy. It incorporates current Nigerian data on multifaceted poverty, employment, inflation, macroeconomic performance, and institutional difficulties. Practically, the study provides policymakers with a framework for understanding why conventional growth strategies may have limited poverty-reduction effects unless accompanied by institutional reform and distributive policies. Because the ability, honesty, and accountability of

public institutions ultimately determine how development policy is implemented, the research is equally pertinent to public administration.

1.16 Scope and Conceptual Clarification

The study focuses on Nigeria's political economy and how socioeconomic deprivation, ruling-class influence, and economic progress are related. It makes use of current data while placing recent events in the context of Nigeria's political and economic history following independence. The growth of socioeconomic deprivation from relatively isolated disadvantaged populations to sizable portions of the population across several welfare aspects is referred to as "massification of socioeconomic deprivation." The term "ruling class" describes a group of interconnected political, bureaucratic, and economic elites who have disproportionate influence over the distribution of public resources due to their access to political power. The term "growth without development" describes situations in which overall economic output rises without commensurate advancements in social inclusion, productive employment, human skills, institutional quality, and broad-based welfare.

2. Methodology

2.1 Research Design

The study uses a qualitative research design that is grounded in the analysis of secondary and documentary sources. Because the research aims to understand the institutional and political mechanisms that underlie the relationship between socioeconomic deprivation and economic progress rather than just estimating statistical correlations, a qualitative approach is required. The study is mostly explanatory and interpretive. It looks into how public policy, institutions, political authority, resource distribution, and economic structure combine to produce developmental results. A mixed-method design is not used in the analysis. In a qualitative political-economy analysis, official institutions' quantitative numbers are employed as documentary proof.

2.2 Sources of Data

The primary sources of secondary data comprise the Nigeria Labour Force Survey (NLFS) and the Nigeria Multidimensional Poverty Index (MPI) (National Bureau of Statistics [NBS], 2022, 2024). The second category consists of reports, datasets, and publications produced by international development organisations, particularly the World Bank, International Monetary Fund (IMF), and United Nations Development Programme (UNDP) (International Monetary Fund [IMF], 2024; United Nations Development Programme [UNDP], 2025; World Bank, 2024). The third category comprises peer-reviewed scholarly literature addressing Nigeria’s political economy, poverty, governance, institutions, oil dependence, elite politics, and development.

2.3 Selection of Evidence

Documents were chosen according to how well they addressed the main issues of the study. Priority was awarded to:

i. Official poverty and labour-market statistics;
ii. Recent assessments of Nigerian economic performance;
iii. Scholarly studies of ruling-class behaviour and rent-seeking;
iv. Research on institutions and development;
v. literature on oil dependence and the rentier state;
vi. Works on poverty, inequality and human development; and

vii. Policy reports dealing with employment, infrastructure, social protection and human capital. Since Nigeria's economic circumstances have significantly changed as a result of exchange-rate, fuel-subsidy, and fiscal changes, the analysis focuses especially on current data.

2.4 Method of Analysis

Thematic documentary analysis is used in the study. Conceptually, the documents were arranged according to recurrent topics, such as:

i. Economic growth;
ii. Poverty and multifaceted deprivation;
iii. Elite dominance;
iv. Rent-seeking;
v. Institutional weakness;
vi. Petroleum dependence;
vii. Employment and informality;
viii. Human capital;
ix. Infrastructure;
x. Inequality;
xi. Social protection; and
xii. Inclusive development.

Next, the research looked at how these themes related to one another. Evidence of poverty and economic prosperity, for instance, were contrasted. Alongside evidence of institutional weakness and elite capture, evidence of petroleum revenues was investigated. The structure of economic growth was evaluated in conjunction with labour-market evidence. This method enables the inquiry to proceed from description to causal explanation.

2.5 Validity and Trustworthiness

Source triangulation improved trustworthiness. Academic literature and worldwide evaluations were contrasted with official numbers. Instead, then interpreting disparate estimates as contradictory, consideration was given to methodological variations when disparate poverty metrics were found. For example, because poverty indices may employ different variables, thresholds, and techniques, Nigeria's 2022 national multidimensional poverty estimate of almost 63% should not be mechanically equated with other worldwide poverty metrics. Similarly, because the NBS labour-force data highlights the significance of underemployment and informality, the headline unemployment rate is not considered a comprehensive indicator of labour-market welfare.

2.6 Limitations of the Study

There are a number of restrictions on the study. First, because it depends on secondary data, the quality and accessibility of current documents are crucial. Secondly, the notion of ruling class has a wide analytical scope. Region, ethnicity, class, sector, philosophy, and institutional location are some of the internal divisions among Nigeria's elites. As a result, the study does not presume that the elite is a cohesive group. Third, there are complicated causal links between poverty and elite behaviour. Global economic conditions, insecurity, demographic pressures, technological change, climate shocks, and individual-level traits are some of the interrelated elements that contribute to poverty. Fourth, the state of the economy is changing quickly.

As a result, some macroeconomic and poverty statistics are estimations rather than conclusive historical data. Notwithstanding these drawbacks, documentary analysis offers a suitable method for investigating the institutional and structural aspects of Nigeria's growth-poverty dilemma.

3. Theoretical Framework

3.1 Elite Theory

The first main framework for the study is Elite Theory. Classical elite theorists like Mosca (1939), Pareto (1968), and Michels (1962) contend that societies are typically characterised by minorities that exercise disproportionate control over political organization and decision-making. Mosca (1939) makes a distinction between the ruled majority and the ruling minority; Pareto (1968) focuses on elite circulation; and Michels (1962) develops the "iron law of oligarchic leadership. These viewpoints are helpful for analysing Nigeria because formal democratic institutions coexist with a substantial concentration of political and economic power. It is not implied by Elite Theory that common people have no power at all. Instead, it highlights disparities in decision-making power. In Nigeria, holding political office can grant one authority over significant public resources. Appointments, contracts, regulatory decisions, public investment, and resource allocation are all influenced by political players. Through social ties, business networks, lobbying, and campaign funding, economic elites can also have an impact on politics. As a result, the relationship between the political and economic elites becomes vital.

3.1.1 Elite Control and Resource Distribution

Iwuoha's (2021) analysis of oil-block allocation shows the relevance of patron-client politics to Nigeria's petroleum economy, and Asiegbu and Ikeanyibe (2024) similarly highlight institutionalised rent-seeking in natural-resource governance. Public contracts are one example of how control over the state can influence access to economic resources. The government is one of the biggest purchasers of goods and services in the country. If procurement processes are transparent and competitive, public expenditure can be directed toward politically connected actors.

3.1.2 Elite Circulation Versus Elite Transformation

One important implication of Elite Theory is that changes in political personnel do not necessarily translate into fundamental changes in the underlying structure of political power. Classical elite theorists such as Pareto (1968) and Mosca (1939) emphasise the persistence of organised minorities in the control and exercise of political power, while the concept of elite circulation suggests that the replacement of one group of political elites by another may occur without a corresponding transformation of the institutional structures within which power is exercised. In the Nigerian context, Ojo (2023) observes that political elites from different sectors—including politicians, military actors, business interests, traditional authorities, and other influential groups—have continued to circulate within the political system over time.

This distinction is important for understanding Nigeria's democratic experience. Electoral turnover may alter the composition of political leadership without necessarily dismantling established patronage networks, clientelist relationships, rent-seeking incentives, and other informal mechanisms through which political and economic resources are distributed. Studies of Nigerian politics have documented the continuing significance of elite clientelism and the tendency of political actors to direct public resources toward party elites and political networks (Demarest, 2022). Similarly, research on political patronage in Nigeria indicates that elite control of state

institutions can sustain clientelist relationships in which access to public resources is mediated through political connections (Rasak et al., 2017). Consequently, elite circulation should not automatically be equated with institutional transformation. A change in political leadership becomes institutionally significant when it modifies the rules, incentives, accountability mechanisms, and patterns of resource allocation that shape the behaviour of public institutions. Evidence from Nigeria's political economy also suggests that historically embedded institutional arrangements can sustain rent-seeking practices over time, even when political leadership changes (Asiegbu et al., 2024). Thus, the central developmental question is not merely whether new political elites have replaced previous ones, but whether political change produces substantive alterations in the institutional incentives governing public authority, resource allocation, accountability, and development outcomes.

3.1.3 Elite Capture and Poverty

Poverty is influenced by elite capture in a number of ways. First, citizens may receive fewer public resources as a result. Second, it has the potential to skew policy priorities. Thirdly, it has the potential to erode public institutions. Fourth, it may restrict competition by giving preference to companies with political ties. Fifth, it may result in unequal access to infrastructure, healthcare, and education. Sixth, it may erode public confidence in the government. The result is a system in which economic opportunities are disproportionately concentrated while social risks are widely distributed. This is one of the mechanisms through which socioeconomic deprivation becomes massified.

3.2 Institutional Theory

Institutional Theory is the second main framework. According to North (1990), institutions are the guidelines, limitations, and frameworks that influence how people interact with one another. Institutions have an impact on expectations, transaction costs, incentives, and economic behaviour. Similar to this, Acemoglu et al. (2004) contend that because institutions influence incentives for investment, innovation, and productivity, they are essential predictors of long-term economic performance. Acemoglu and Robinson (2012) make a distinction between institutions that are extractive and inclusive. While extractive institutions concentrate power and resources among specific groups, inclusive institutions distribute political and economic possibilities widely. Regarding Nigeria's development predicament, this contrast is quite pertinent. Nigeria has a number of formal institutions related to contemporary governance, including legislatures, courts, audit organisations, procurement standards, anti-corruption organisations, electoral organisations, and public service rules. The issue is that official institutions don't always follow their intended regulations. Therefore, it is essential to distinguish between formal institutions and effective institutions.

3.3 Institutional Weakness and Developmental Failure

Inadequate enforcement, corruption, political meddling, administrative weakness, and insufficient accountability can all cause institutions to fail. For instance, a procurement law may mandate competitive bidding, but if procurement decisions are influenced by political connections, the formal rule exists but the effective institution operates differently. Similarly, an anti-corruption agency may have statutory authority but lack sufficient independence or administrative capacity. As a result, institutional weakness affects development through a variety of channels: businesses may prefer informal arrangements; investors may demand higher returns to offset institutional

risks; public employees may become more focused on political survival than professional performance.

3.4 Institutions and the Petroleum Rentier State

The resource curse is also explained by institutional theory. Underdevelopment is not always a result of natural resources. Institutions determine their consequences. Resource earnings can be used by nations with robust institutions to fund sovereign wealth funds, infrastructure, healthcare, education, and economic diversification. Rent-seeking, corruption, political rivalry, and economic distortions can all occur in nations with weak institutions. This institutional dimension is exemplified by Nigeria's petroleum experience. The state now has more resources thanks to oil earnings, but the institutional frameworks for transforming those resources into widespread development have frequently been insufficient. As a result, the petroleum industry developed into an institutional arena where political and economic interests fought for rent, rather than just an economic sector.

3.5 Combined Application of Elite and Institutional Theories

Combining the two theories yields the highest analytical value. Who has disproportionate authority is explained by the Elite Theory. The way that organisations and regulations structure the use of that power is explained by institutional theory. When combined, they offer a more compelling explanation for the growth-poverty dilemma in Nigeria. Institutions can be weakened by elite domination when influential people change the law to suit their own interests. Because they render accountability ineffective, weak institutions can further solidify elite dominance. This creates a cycle of reinforcement: Elite power leads to institutional capture, rent extraction, unequal resource allocation, socioeconomic deprivation, insufficient citizen capacity, and ongoing elite rule. Both institutional change and elite accountability are necessary to end this cycle.

3.6 Growth Without Structural Transformation

The unified theoretical framework illustrates how poverty and economic prosperity can coexist. Growth in the economy expands the economic "pie." However, the production and distribution of the pie are decided by institutions. Aggregate growth may coexist with mass poverty if public resources are concentrated among politically connected players, if growth is produced by sectors with modest employment implications, and if public services continue to be insufficient. Therefore, the institutional framework that generates and distributes GDP is the issue rather than just the amount of GDP. The idea that growth inevitably trickles down is called into question by this realisation. Although they are not automatic, trickle-down processes can happen in certain situations. They rely on the creation of jobs, wages, public investment, the development of human capital, taxes, social protection, and institutional inclusion.

3.7 Elite Interests and Public Policy

Seldom is public policy politically neutral. Policies determine who pays taxes, who receives subsidies, who wins access to contracts, which regions receive infrastructure and which sectors receive government backing. As a result, public policy has the power to either lessen or increase inequality. Elite Theory argues that organisations with greater political influence would strive to alter policy in ways that protect their interests. According to institutional theory, the strength of accountability institutions determines how successful they are. Elite interests can be restrained by

the law and public scrutiny in places with robust institutions. Political power can turn into economic privilege in areas with weak institutions.

3.8 The Political Economy of Public Revenue

Another significant institutional issue is taxation. Because taxes establish a fiscal link between residents and the government, a healthy developmental state needs a comprehensive and efficient tax system. Tax-paying individuals are more inclined to demand accountability, and governments that rely heavily on resource rents may be less motivated to build extensive financial ties with their constituents. In countries that rely heavily on oil, this is especially crucial. Citizens may have less direct control over fiscal policy in countries where state revenue is mostly derived from general taxation than in those where the government receives a sizable portion of its revenue from natural resources. As a result, the social compact may deteriorate.

3.9 Social Protection and Institutional Inclusion

Another way that institutions might lessen deprivation is through social protection. Temporary economic shocks can be kept from turning into long-term poverty by cash transfers, pensions, health insurance, unemployment benefits, school lunches, and targeted subsidies. However, social protection programs need adequate funding, accurate databases, clear payment methods, dependable identification mechanisms, and efficient monitoring. Expanding targeted cash transfers to poor Nigerian households has been difficult, according to the World Bank, highlighting the significance of administrative competence in addition to policy design. Therefore, social protection should be viewed as a component of the institutional framework for inclusive growth rather than only as welfare spending.

3.10 Human Capital as a Developmental Institution

The developmental role of the state is to ensure that access to essential capabilities is not determined entirely by household wealth. This is consistent with Sen's (1999) concept of development as the expansion of substantive freedoms. Education and healthcare are also institutions because they shape capabilities and opportunities. For example, an education system that offers high-quality schooling to affluent households but poor-quality schooling to low-income communities can reproduce inequality. Similarly, a health system that requires households to finance major medical costs out of pocket can push vulnerable families further into poverty.

3.11 A Conceptual Model of the Nigerian Growth-Poverty Paradox

The following is a conceptual representation of the analysis:
i. Growth and Economic Resources;
ii. Political and Institutional Allocation;
iii. Elite Capture; Rent-Seeking;
iv. Productive Investment; and
v. Distribution of Economic Opportunities: Infrastructure + Public Services + Employment + Human Capital + Household Income and Capabilities + Reducing Poverty or Increasing Deprivation. Growth is not the ultimate result, as the model shows. Institutional and political barriers must be overcome for growth to occur. Economic growth can lead to development in areas where these filters are inclusive. Economic growth and poverty can coexist in extractive societies.

3.12 Empirical Interpretation of the Model

The evidence of multifaceted poverty in Nigeria illustrates the effects of inadequate resource conversion into skills. According to the NBS, 63% of Nigerians were multidimensionally poor, indicating that deprivation affected several facets of living standards in addition to income. A second dimension is provided by the labour-market evidence. In Q2 2024, 93% of all employment was informal. A third dimension is provided by the macroeconomic data. Nigeria has had budgetary gains and growth, but poverty is still quite high. Together, these three findings bolster the main thesis: when the institutional processes connecting growth to household welfare are poor, economic expansion by itself is insufficient to change socioeconomic conditions.

3.13 The Massification Mechanism

Five interrelated processes can be used to explain the idea of massification. **First**: Increasing Vulnerability Previously stable households may become vulnerable due to inflation and economic restructuring.
Second: Informalization of the Labour Market Workers are compelled to engage in low-productivity, informal activities due to a lack of official employment.
Third: Deficits in Public Service Private family expenses are raised by inadequate transportation, electricity, health, and education systems.
Fourth: Unequal Access to Politics Economic opportunities is more accessible to politically linked organisations.
Fifth: Reproduction Across Generations. Children that experience deprivation are born with diminished capacities and less possibilities. When combined, these mechanisms change poverty from a condition that just affects certain populations to a widespread social structure.

3.14 Why Growth Has Not Been Enough

The main theoretical finding is that Nigeria's issue goes beyond a lack of growth. The nation needs to undergo structural change. Shifting labour and resources from low-productivity industries to higher-productivity manufacturing, services, and agriculture; boosting human capital; developing infrastructure; enhancing technological capabilities; fortifying institutions; and making sure that productivity increases result in higher household incomes are all components of structural transformation. GDP growth may continue to be detached from common people in the absence of this change. Moving from Growth → accumulation to Growth → productivity → employment → income → capacities → development is consequently a challenge.

3.15 The Contemporary Reform Moment

There are hazards and opportunities associated with Nigeria's recent reform era. Stabilisation of the macroeconomy is required. But development and stabilisation are not the same thing. Nigeria has a chance to translate better macroeconomic fundamentals into long-term productivity and inclusive growth, particularly through investments in human capital, according to the World Bank's 2026 assessment. The question is whether political institutions can maintain reforms while guaranteeing that their advantages are shared widely. In the end, this is a governance issue.

4. Conclusion

The paradox of poverty and growth in Nigeria is a reflection of a more fundamental conflict in the political economy of the nation. Although there has been economic progress, its advantages have not been fully reflected in widespread increases in household wellbeing. As a result, the country's

economic growth is accompanied with pervasive poverty, informality, inequality, poor public services, and restricted social mobility. There is strong evidence. According to Nigeria's 2022 Multidimensional Poverty Index, 133 million Nigerians lived in multidimensional poverty. According to labour force data from 2024, 93% of Nigerians who were working worked in informal jobs. Even if macroeconomic conditions improve, poverty is still quite high, according to more recent World Bank and IMF estimates. The notion that GDP growth inevitably leads to progress is called into question by these data. According to the report, the political and institutional frameworks that govern the distribution of financial resources are closely linked to the growth-poverty dilemma in Nigeria. Access to petroleum rents, public contracts, state posts, licenses, and other economic possibilities has historically been significantly influenced by Nigeria's ruling class. This does not imply that poverty is solely the result of particular politicians or that all members of the political and economic elite act in the same way. Instead, it implies that the institutional framework of political power generates incentives that might impair inclusive development and promote elite accumulation. The relationship between elite power and institutional weakness is especially evident in Nigeria's petroleum economy. While oil has produced enormous public resources, petroleum wealth has also encouraged rent-seeking and political competition over resource allocation. Rather than serving as a foundation for structural transformation, the petroleum economy has frequently operated as a mechanism for elite accumulation, contributing to a political economy in which access to state resources can become more important than productive capacity. The effects are widespread in society. Public spending is less effective when institutions are weak. Inadequate infrastructure raises operating expenses. Industrial production is hampered by inadequate electricity. Moving commodities is more expensive when there are inadequate transportation systems. Human capital is diminished by subpar public education. Household vulnerability is increased by inadequate healthcare. Social security and incomes are restricted by informal employment. Households are vulnerable to economic shocks due to inadequate social safety. A system of cumulative deprivation is produced by the interaction of these elements. This cumulative process is encapsulated in the concept of massification. It is no longer sufficient to think of poverty as a condition that exclusively affects a specific group. Workers, farmers, young people, children, informal entrepreneurs, and even segments of the middle class with diminishing purchasing power are all affected by this increasingly pervasive social condition. The definition of economic growth is significantly impacted by this change. Nigeria needs more than just faster GDP development. It requires growth that is inclusive, employment-intensive, and productivity-boosting. Growth needs to produce good jobs. It needs to raise agricultural output. Manufacturing and productive services must be encouraged. It needs to make financing more accessible. Transportation and power must be improved. Healthcare and education must be strengthened. It must utilise efficient social protection to lessen home vulnerability. Above all, institutions that are able to transform public resources into public value must be integrated with economic growth. Thus, the current reform era offers a crucial chance. Although macroeconomic stabilisation is crucial, it should be viewed as a starting point rather than the ultimate goal of economic policy. Whether or not common people benefit from increased economic security, better jobs, stronger public services, and increased purchasing power is the ultimate test of reform. Therefore, political decision-making and institutional competence are at the core of Nigeria's development dilemma. Although the nation has the resources to accomplish significant growth, resources by themselves are not enough. Whether political institutions can be reorganised on public value instead of rent distribution is the key question. The study's main finding is that Nigeria's poverty problem is mostly a result of the failure to transform economic

growth and resources into inclusive opportunities and capacities rather than just a result of insufficient economic growth. A new connection between the state, markets, and citizens is necessary to make the shift from growth without development to inclusive development. Institutional responsibility for political authority needs to be strengthened. Transparent developmental priorities must guide the distribution of public resources. Economic diversification needs to shift from policy rhetoric to investments that increase productivity. One of the main goals of economic policy must be employment. Investment in human capital must be ongoing. Instead of being episodic, social safety needs to be institutionalised. Additionally, citizens need to take an active role in calling for accountability. Therefore, the ultimate task is not just to grow Nigeria's economy but also to change the institutional and political framework that governs the creation, distribution, and experience of economic value. Economic growth can only then be considered true development.

5. Recommendations

1. Strengthening Developmental Institutions

The establishment of institutions capable of carrying out long-term development strategies apart from immediate political objectives should be the top priority for the Nigerian government. Instead of focusing only on spending, public institutions should be assessed based on quantifiable developmental outcomes. Merit-based hiring, professional public administration, open processes, administrative continuity, and efficient performance management should be the main goals of institutional changes.

2. Reforming Public Procurement

Instead of being used for favouritism, public procurement should be used as a tool for development. Government contracts ought to be given out via open, competitive, and verifiable processes. Public access to procurement data is necessary, and beneficial ownership transparency ought to be reinforced. Projects should be closely watched from start to finish, with explicit penalties for non-performance, inflated costs, and abandonment.

3. Strengthening Anti-Corruption Institutions

Increased independence, professionalism, technological prowess, and investigative resources are necessary for anti-corruption organisations. However, punishing people after money has vanished should not be the sole focus of anti-corruption strategy. Prevention is just as crucial. Internal controls, digital procurement, asset disclosure, expenditure monitoring, audit systems, and conflict-of-interest regulations should all be strengthened by the government.

4. Reforming Political Financing

More focus should be placed on the relationship between economic patronage and political funding. Political parties should reveal their funding sources and enforce transparent campaign finance regulations. Politicians would be less inclined to engage in reciprocal patronage if they were less financially dependent on affluent donors.

5. Reorienting Petroleum Wealth Toward Development

Petroleum resources should be managed as national development assets rather than political rents. Oil and gas earnings should fund infrastructure, human capital, energy transition, economic

diversification and long-term savings. Natural-resource governance institutions should be strengthened through transparent revenue reporting, independent oversight and clear fiscal rules.

6. Diversifying Beyond Petroleum

Nigeria should expand knowledge-intensive services, digital industries, creative industries, and technology-based entrepreneurship. Agriculture should be transformed through irrigation, storage, rural roads, extension services, mechanisation, agricultural finance, and value-chain development. Manufacturing should be supported by dependable electricity, transportation infrastructure, access to financing, industrial clusters, and stable regulatory policies.

7. Making Employment Creation a Central Development Objective

Economic policy should clearly put productive employment at its core. Employment intensity should be evaluated in conjunction with GDP growth. Policies should target industries capable of absorbing significant numbers of workers, including agro-processing, manufacturing, construction, logistics, renewable energy, tourism and labour-intensive services. The purpose should not only be to reduce unemployment numbers but to create productive, suitably remunerated and sustainable employment.

8. Supporting the Informal Economy While Promoting Formalisation

Informal businesses cannot be viewed as peripheral to the Nigerian economy, since 93% of employment in Q2 2024 was informal. Affordable financing, streamlined registration, market infrastructure, digital technologies, skill development, and business-development services should all be made available to small firms by the government. Instead of imposing formalisation through high taxes or regulations, it should be encouraged.

9. Investing in Human Capital

Investing in human capital should be one of Nigeria's top development goals. Learning outcomes, teacher quality, technical and vocational education, employability, and digital skills should all be prioritised in education policy. Primary healthcare, preventative care, maternity and child health, health insurance, and lower out-of-pocket costs should be the main areas of concentration for healthcare investment. Because childhood deprivation can result in long-term productivity losses, early childhood development requires special care. Early childhood development is a key component of future productivity and inclusive growth, as the World Bank's 2026 Nigeria Development Update rightly highlights.

10. Expanding Social Protection

Nigeria requires a long-term, reliable social security framework. Accurate recipient identification, open payment methods, and impartial oversight are necessary for cash transfers. School nutrition, disability aid, pensions, health insurance, unemployment benefits, and shock-responsive systems should all be included in social protection. Preventing short-term economic crises from turning into long-term poverty should be the goal.

11. Protecting Households During Economic Reform

Protecting vulnerable households should go hand in hand with macroeconomic reform. The government should evaluate the distributional effects of any fiscal, exchange-rate, or subsidy

reforms and apply specific compensatory measures. The idea should be that those who are least able to pay for reform shouldn't carry a disproportionate share of its costs.

12. Addressing Food Inflation

One of the top priorities for national growth should be food security. Policies should address production, transportation, storage, market access and insecurity simultaneously. Reducing food inflation involves more than short-term imports. Nigeria must enhance domestic productivity while enhancing food distribution systems.

13. Expanding Infrastructure

Electricity, roads, trains, ports, water, sanitation, and digital connection should be the main areas of infrastructure investment. Because unstable power raises manufacturing costs across the economy, electricity demands special attention. Infrastructure projects should be assessed based on their potential to boost employment and productivity rather than just their monetary value.

14. Strengthening Local Government Development

Since many aspects of deprivation are spatially distinctive, local governments ought to take a more active role in reducing poverty. Financial responsibility, expert administration, collaborative planning, and reliable oversight are necessary for decentralisation to be effective. Plans for local development should be founded on quantifiable measures of poverty, employment, infrastructure, health, and education.

15. Institutionalising Monitoring and Evaluation

Programs run by the government should be methodically assessed. Each significant initiative aimed at reducing poverty should include:

i. its intended audience;
ii. anticipated results;
iii. quantifiable indicators;
iv. implementation schedules;
v. financial arrangements;
vi. monitoring systems; and
vii. independent evaluation processes.

Failing programs ought to be redesigned instead of continuously funded.

16. Strengthening Citizen Participation

More chances should be provided for citizens to take part in local development planning, public budgeting, and policy review. Government programs can be made to better match the requirements of the community by using participatory procedures. Instead of being the government's enemies, civil society organisations, professional associations, academic institutions, media outlets, and community organisations should be viewed as collaborators in progress.

17. Redefining Development Beyond GDP

Nigeria should expand the metrics used to measure national development. GDP growth should continue to be significant, but it should be supplemented by measures of:

i. poverty;
ii. employment quality;

iii. real household income;
iv. inequality;
v. education;
vi. health;
vii. housing;
viii. electricity access;
ix. food security;
x. social protection;
xi. infrastructure; and
xii. institutional effectiveness.

A nation cannot legitimately claim developmental success when GDP rises while the capabilities of the majority of its citizens decline.

18. Building a Developmental Elite Compact

Nigerian citizens, professionals, corporate executives, and political elites need to have a new relationship. Instead of focusing on short-term rent extraction, political and economic leaders should be urged—or institutionally forced—to seek national productive objectives. A developing elite accord would include pledges to:

i. open governance;
ii. profitable investment;
iii. human capital development;
iv. infrastructure;
v. employment;
vi. fiscal responsibility;
vii. institutional accountability; and
viii. equity across generations.

The goal is to change the incentives that drive elite behaviour rather than to eradicate elites, which is impractical.

19. Strengthening the Social Contract

In the end, Nigeria requires a more robust social compact. People should view the government as an organization that provides public goods, defends rights, and increases opportunities rather than just a tool for political struggle. In turn, the government should anticipate contributions from businesses and residents in the form of taxes, productive engagement, and adherence to the law. The gap between citizens and governmental institutions would be lessened by a more robust social compact.

20. Final Policy Proposition

Nigeria needs to transition from a rent-distribution model of political economy to a developmental-production paradigm, according to the study's main policy recommendation. The following traits define the rent-distribution model:

i. political office rivalry;
ii. access to public resources;
iii. patronage;
iv. reliance on petroleum;
v. accumulation by elites;

vi. inadequate accountability; and
vii. pervasive socioeconomic vulnerability.

Instead, the developmental-production model ought to highlight:

i. profitable investment;
ii. competitive markets;
iii. respectable employment;
iv. human capital;
v. infrastructure;
vi. technical advancement;
vii. social protection;
viii. institutional accountability; and
ix. inclusive economic opportunity.

Because current political and economic interests profit from the status quo, the change will not be simple. However, it will probably be far more expensive to continue on the current course. Therefore, changing political incentives and institutions so that national resources produce widespread public value is Nigeria's biggest developmental problem rather than a lack of resources.

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