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ICT and Wealth Creation in Nigeria

By Efem Nkanga, 06.13.2007

The potential of Information Communication Technology (ICT) to make a difference in the lives of people globally is a fact that has come to be accepted by all. With development and innovations going hand in hand and knov becoming one of the most important factors in determining the standard of living of people everywhere, mos advanced economies and companies today are those that play the knowledge card as a tool to drive development. It is an undisputable fact that the richest men in the world are all in businesses that influence choice and decisions aided by the deployment of knowledge like publishing, media and communications, among others. For example, the family of Walmart makes money from what customers want by deploying knowledge gathered from ICT tools.

ICTs provide a viable platform for using sophisticated technologies to provide solutions to many of the problems of people everywhere, especially in the face of grinding poverty faced by many nations of the world. This fact is the main driver of current calls globally for poor nations to rise up and take advantage of the potential posed b development tools like that of ICTs to advance their economies and their people.

With the current globally fact sheet showing that advanced countries were far ahead in the deployment c technological tools and access to the Internet and other forms of communications technology, the developing nations if they hope to make any meaningful impact and grow have to as well embrace ICTS fully. This is in the light of t fact that various statistics on ICTs show that since the beginning of this century, in spite of increased awareness on the benefits of ICTs to drive development, the Internet penetration rate on an average in developed countries was more than 10 times higher than what is obtainable in developing countries.

With ICTs increasingly becoming a key factor in driving production and development, a knowledge-based and driven economy is not negotiable and is one in which the generation, adoption and exploitation of knowledge play key role in the creation of wealth especially in emerging economies. This is because ICT is a viable platfor generating wealth especially i it releases people's creative potential and knowledge. Because it's enabler of change. it's a tool for releasing the creative potential and knowledge embodied in people.

The result of various studies have shown that the ICT sector has a powerful multiplier effect in the overall economy of most nations when compared with manufacturing. Wealth-generation is becoming more closely tied to the capacity to add value using ICT products and services.

A 1995 study of the effect of software producer Microsoft on the local economy revealed that each job at Microsof had the penchant to created 6.7 new jobs, as opposed to other manufacturing conglomerates where only 3.8 jobs where created.

In Africa , with the scourge of poverty generally acknowledged as a familiar next door neighbor of sorts to many, the potential of ICTs to make a change cannot be ignored. With most Africans living from hand to mouth and unable to make ends meet. Most Africans in spite of the technological advancements recorded globally are still larg uneducated and uninformed and unaware of the potentials of ICTs to create wealth. A survey by the World B disclosed that most Africans live on less than a dollar a day which might be hard to believe for some but is a r Africa ravaged by conflict and poverty, has become the abode of the world's poorest. One hallmark of this poverty is characterized by the dearth of Infrastructure which is one of the major constraints of development. One worrisom fact is that African countries account for a major percentage of the Least Developed Countries LDCs in the worlc with 34 out of a total of 49 LDCs sited in Africa . This is one fact that made the quest to reduce the number of people living in poverty, the number one millennium development goal out of the ten goals to be addressed glob before 2015. Nigeria , the most populous country in black Africa with a population of over 140 million is no exempted from the menace of poverty.

In spite of global efforts aimed at tackling poverty, most Nigerians are still caught in the throes of the malaise and can hardly afford the basic necessities of life. Poverty is still a reality and a mind boggling, 70 per cent of Nigerians are said to be living below the poverty line according to the world fact book. To address the scourge of poverty in tl nation, experts have advocated the deployment of information communication technology ICT as a panacea to address the menace. ICTs are technologies that enable communication and information processes and transmiss through electronic means. It includes the deployment of telephones, media, radio, television, computers and the internet for information transmission. ICT has the potential to power development and eradicate poverty and veritable weapon for promoting human development and accelerating economic growth. For Nigeria to sustainable socio economic growth, it must deploy ICT to generate wealth for the masses and tackle poverty Currently, the indicators of poverty in the nation are joblessness, inability to sustain self and dependants, lack o access to basic amenities like food, shelter, lack of material well being, lack of choice and opportunities, amon

others. It is a fact that the unemployment level of the nation is currently at its highest with many able bodied men and women in the unemployment market. Instead of waiting for non-existent white collar jobs, most unemplc graduates have embraced ICTs through various platforms, especially mobile phones to create wealth for themselv Since ICT has become one of the most important channels through which a nation can impact on its citizens, there is no doubt that it can be used to drive sustainable development and eradicate poverty.

The Mobile phone, for example, is the most common example of Information Communications Technolog deployment, that can be effectively used to tackle poverty.

Already, the deployment of the mobile phone in Africa and Nigeria has impacted greatly on the lives of the people. The usage of the mobile phone by poorer countries can translate to improved development.

A study recently found out that an extra ten phones per 100 people raises the GDP growth by 0.6 per cent. Farmers and fishermen market vendors and others deploy it to make enquiries on cost, new trends, availability etc. ICT opened up business opportunities and become a veritable revenue generating tool for most disadvantaged people Africa as a whole and Nigeria in particular. Many poor people use the mobile phone to conduct business as a pay phone and make money by charging customers for the use of the phone, thus generating income for the owner. Nigeria, the introduction of the GSM has not only opened up the window for easy access to communication, but it has also opened up veritable windows of wealth generation for many and has enabled the poor by providing the poor an opportunity to generate wealth. For most poor folks, the mobile phone has become a lifeline and a bridge to jump out of the scourge of poverty. Most people now run their own call centres to create income. For example, most of GSM operators have empowered several unemployed persons especially women to own their own franchises wher they operate a phone kiosk, sell recharge cards and render call services to generate income for their households.

The success rate of ICT deployment in Nigeria has astounded the world. The sector is currently the fastest grow market in telecoms in Africa and third fastest in the world. More than $15 billion in foreign direct investment has been attracted to Nigeria in less than six yrs. The available telephone lines in the country has grown 350,000 in 2000 to 38million as at today.

It is certain that with the uptake of ICTs in Nigeria as at today, government and most business concerns will crash if the Increasing dependence on ICT by the Nigerian economy was to run into hitches. This is because inf infrastructure has become critical to Nigeria's economic and social well being, which means that any kind of damage at this time would have a wide ranging and expansive negative effect on the nation's economy. With a tool described as a mechanism that enables a user to leverage on resources, the tools of ICT cannot only be used by Nigerians leverage on resources but also be used as an instrument to empower and generate profitable enterprises that crea wealth at the end of the day.