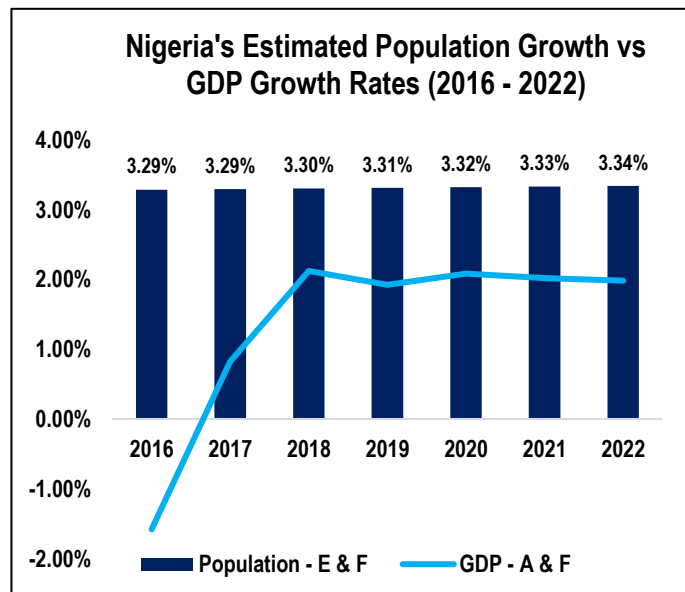
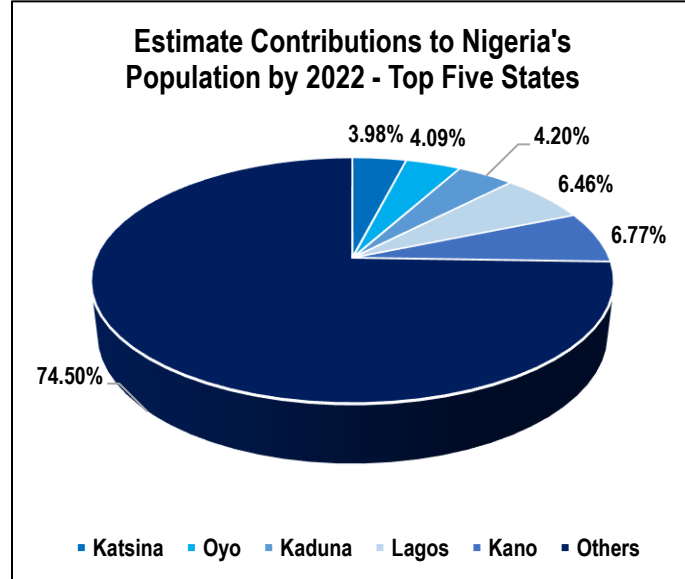
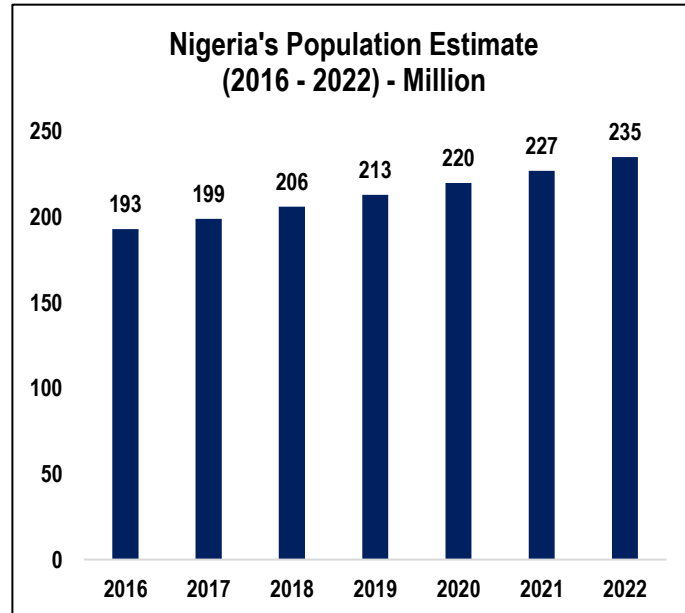


## Nigeria's Huge Population: Beneficial?

The National Bureau of Statistics (NBS) estimated the population of Nigeria to be 194 million in 2016, with an average growth rate of 3.28% between 2012 and 2016. Federal Capital Territory, Abuja, recorded the fastest average population growth rate of 9.75%. FSDH Research estimates that Nigeria's population may grow to 235 million in 2022, given the average growth rates in the population of the states of the federation between 2012 and 2016. This represents an average growth rate of 3.31% between 2016 and 2022. We expect five states to contribute about 26% of the total population in 2022. However, it is unclear if the large population is beneficial to the Nigerian economy.

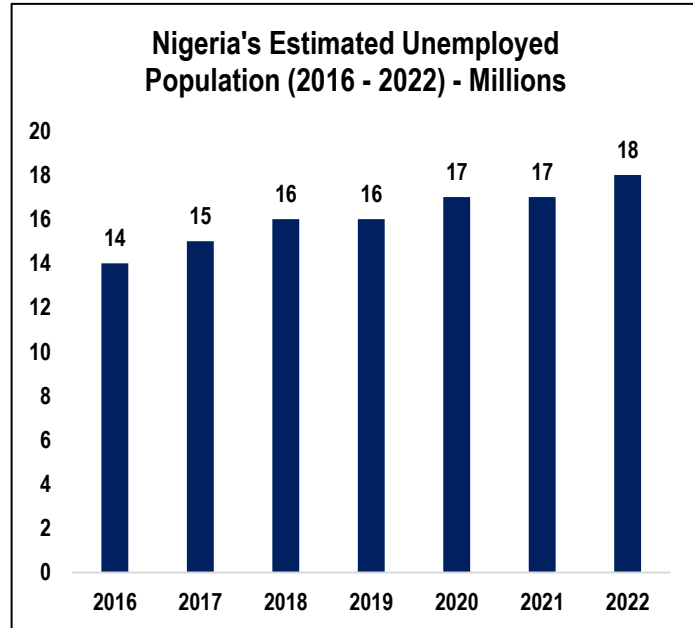
Usually, a large population offers a large market size, with immense benefits for economic and commercial activities provided there is a strong purchasing power among the citizenry. Education, healthcare, real estate, consumer goods, financial services, information and communication, power and energy are among the sectors that should benefit from the large population. However, it appears that this is not the case in Nigeria because of several social and economic hindrances in the country.

FSDH Research notes that the growth rate in the economy in the last three years is lower than the population growth rate. This trend may continue in the next five years unless urgent measures are taken. The latest unemployment rate from the NBS stood at 18.8% as at Q3 2017. If this trend continues, FSDH Research forecasts that a total of 18 million Nigerians will be unemployed by 2022, compared with 15 million unemployed as at Q3 2017.



A high unemployment rate has both economic and social implications, including high poverty levels, dependency ratio, crime rate and social unrest. These can be addressed with a combination of coordinated policies.

Nigeria could unlock the huge benefits inherent in her large population with appropriate policy implementation. Some of the policies include: investment in quality education, healthcare services and establishment of technical centres for skills acquisition. In addition, policy makers and economic managers should create an enabling business environment that would attract investments (both local and foreign) and foster business expansion in order to create jobs.



Sources: The National Bureau of Statistics, International Monetary Fund, and FSDH Research Analysis

A – Actual; E – Estimate; F - Forecast

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