



THE ROLE OF ICT EDUCATION IN COMBATING ECONOMIC RECESSION IN NIGERIA

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Abstract

This study presents information and communication technology (ICT) as a phenomenon that is required to address economic recession in Nigeria. Recession amid plenty is the greatest challenge facing Nigeria. The poverty stricken use diverse coping mechanisms conditioned by their access to various support systems. This paper is on the use of ICT in combating economic recession in Nigeria. It describes the roles that ICTs have played in the lives of the poor in Nigeria, and how ICTs assist people in addressing the chronic issues of recession. Using ICTs to support poverty reduction is found to be possible, practical and affordable if Nigerian government acknowledges its role as a major employer and user of ICT beginning with a development commitment that targets poverty alleviation. In addition, the development and access to social

networks through low-cost ICTs, will enhance timely access to accurate and reliable information by the poor. From the study it has

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been observed that the global financial crisis strongly affect the Nigerian economy because of uncertainty in foreign direct investment and Money Supply that could create uncertainty in the level of investment which

retards economic growth. It also slows down the economy, The paper recommends that There is a need for new stability of the global financial system in which the voice of every nation, every continent is heard and their concerns taken into account.

Introduction

The financial crisis ravaging the global economy has generated a very serious concern by all stakeholders. The world has been threatened by several cycles and periods of economic crisis in the past, but the current economic crisis has been described as “a tsunami” (Chossudovsky(2009). Perhaps, the use of such a strong „catastrophic phrase is to properly convey the circumstances and realities of the crisis which is peculiar in terms of its origin, evolution, nature, pace, magnitude, and distressing realities. There has been a great confusion on the nature of the crisis. According to Sanusi (2009a), “the world economy has been hit by the repercussion of the financial meltdown that started with the sub-prime mortgage crisis in the United States of America and spread to Europe and other parts of the world”. The growing inability to differentiate the current crisis from economic problem, a political quandary or an ideological clash even makes the situation more worrisome. The pace at which the crisis is affecting economic activity around the world is staggering. Most OECD countries are already in recession, and growth in Asia is arguably slowing more rapidly than at any time since 1990 (Olawale, 2017). Predicting and estimating the magnitude of the crisis has shaken the very foundations of international financial markets. The uncontrollable force of globalization which has torn apart all economic boundaries has not only ravaged all regulatory and protectionist powers of the state, but has actually out spaced and created doubts about the ability of the IMF to contain the crisis (Olawale, 2017). As the world economists independently and jointly reveal their country’s survival plans, policies and programmes have shown that the continued reign and existence of capitalist ideology is seriously

threatened. The current financial and economic crisis has had limited direct impact on African economies largely because of its relatively low financial integration, but the crisis has affected the drivers of Africa's recent growth performance. Prior to July, 2008, African economies recorded excellent economic growth performance, despite the 2007 sub-prime mortgage crisis in the United States of America (ADB, 2009). The drivers of the strong economic growth include; macroeconomic reforms; world economic situation that is characterized by high demand for commodities; rising capital inflow; and China's strong economic growth (ADB, 2009). All these factors made analysts believe that the continent is on the verge of breaking away from poverty. However, yesterday's success has eroded with today's realities. The demand for and prices of African commodities are falling largely because of China's slowed growth, capital flight, and promised increased aid has not materialized and might even disappear depending on how long the crisis lasts (ADB, 2009). The global financial crisis is already causing a considerable slowdown in most developed countries. The effect has led to job losses, speculative bubbles in stock markets and commodities markets, reduction in manufacturing as consumption and demand continues to fall. Governments around the world are striving earnestly to control the crisis. The former governor of Central Bank of Nigeria Prof. Charles Soludo was busy campaigning that Nigerian investors should not panic, and that the Nigerian financial system is insulated (Olawale 2016).

Methodology

This research work is on the Role of ICT in Combating Economic Recession in Nigeria. As such, it is based on descriptive method. It identified the various levels of recession and described as well as examining the various roles ICT plays in bettering the lives of the citizens hence combating recession in the country Nigeria.

The concept of ICT

ICT Stands for "Information and Communication Technologies." ICT refers to technologies that provide access to information through [telecommunications](#). It is similar to [Information Technology](#) (IT), but focuses primarily on communication technologies. This includes the [Internet](#), wireless networks, cell phones, and other communication mediums. In the past few decades, information and communication technologies have provided society with a vast array of new communication capabilities. For example, people can communicate in [real-time](#) with others in different countries using technologies such as [instant messaging](#), voice over IP ([VoIP](#)), and video-conferencing. [Social networking](#) websites like [Facebook](#) allow users from all over the world to remain in contact and communicate on a regular basis. Modern information and communication technologies have created a "global village," in which people can communicate with others across the world as if they were living next door. For this reason, ICT is often studied in the context of how modern communication technologies affect society.(The Nigeria computer Society, 2016).

ICT Education

ICTs stand for information and communication technologies and are defined as a “diverse set of technological tools and resources used to communicate, and to create, disseminate, store, and manage information.” These technologies include computers, the Internet, broadcasting technologies (radio and television), and telephony. In recent years there has been a ground swell of interest in how computers and the Internet can best be harnessed to improve the efficiency and effectiveness of education at all levels and in both formal and non-formal settings. But ICTs are more than just these technologies; older technologies such as the telephone, radio and television, although now given less attention, have a longer and richer history as instructional tools. For instance, radio and television have for over forty years been

used for open and distance learning, although print remains the cheapest ,most accessible and therefore most dominant delivery mechanism in both developed and developing countries. The use of computers and the Internet is still in its infancy in developing countries, if these are used at all, due to limited infrastructure and the attendant high costs of access. Moreover, different technologies are typically used in combination rather than as the sole delivery mechanism. For instance, the Kothmale Community Radio Internet uses both radio broadcasts and computer and Internet technologies to facilitate the sharing of information and provide educational opportunities in a rural community in Sri Lanka. Similarly, the Indira Gandhi National Open University in India combines the use of print, recorded audio and video, broadcast radio and television, and audio conference in technologies (The Nigeria Computer Society 2016).

What Is a Recession?

A [recession](#) is when the economy declines significantly for at least six months. That means there's a drop in the following five economic indicators: [real GDP](#), income, employment, [manufacturing](#) and [retail sales](#). People often say a recession is when the [GDP growth](#) rate is negative for two consecutive quarters or more. But a recession can quietly begin before the quarterly [gross domestic product](#) reports are out. That's why the [National Bureau of Economic Research](#) measures the other four factors. That data comes out monthly. When these economic indicators decline, so will GDP (.Proshare2016).A recession is usually underway when there are several quarters of slowing but still positive growth. Often a quarter of negative growth will occur, followed by positive growth for several quarters, and then another quarter of negative growth. The first sign of an impending recession occurs in one of the [leading economic indicators](#) such as [manufacturing jobs](#). Manufacturers receive large orders months in advance. That's measured by the [durable goods order report](#). If that declines over time, so will factory jobs. When manufacturers stop hiring, it means other

sectors of the economy will slow. A fall-off in consumer [demand](#) is normally the culprit behind slowing growth. As sales drop off, businesses stop expanding. Soon afterward they stop hiring new workers. By this time, the recession is usually underway. A recession is destructive. It creates wide-spread unemployment, sometimes as high as 10 percent. That's when it affects most people. As the [unemployment rate](#) rises, consumer purchases fall off even more. Businesses go bankrupt. In many recessions, people lose their homes when they can't afford the mortgage payments. Young people can't get a good job after school. That throws off their entire career even if the recession is short (nine to 18 months), its impact can be long-lasting.] Recessions have psychological and confidence aspects. For example, if companies expect economic activity to slow, they may reduce employment levels and save [money](#) rather than invest. Such expectations can create a self-reinforcing downward cycle, bringing about or worsening a recession. Wikipedia (2017). Consumer confidence is one measure used to evaluate economic sentiment. The term [animal spirits](#) has been used to describe the [psychological](#) factors underlying economic activity. When animal spirits are on ebb, consumers do not want to spend and businesses do not want to make capital expenditures or hire people.

How ICTs can be used in combating economic recession in Nigeria

ICTs are often viewed as near-magic solutions to problems. They are extremely powerful tools that have proven useful in many areas of Nigeria. Traditional media and new ICTs have played a major role in diffusing information to poor living in rural communities. Although little empirical evidences of the benefits of ICTs in Nigeria are found in literatures, there are great potentials of ICTs as tools for enhancing people's daily lives whereby increasing access to information relevant to their economic livelihood, better access to other information sources; healthcare, transport, distance learning or in the strengthening of kinship. The result from this study showed that, the most common of the

ICTs related to poverty alleviation programs in Nigeria are telephone and radio. While other commonly uses of traditional media include: Print, video, television, films, slides, pictures, drama, dance, folklore, group discussions, meetings, exhibitions and demonstrations (Munyua, 2000). The use of computers or the Internet is still restricted to very few people living in urban centers. ICTs have the potential to broaden and enhance access to information and communication resources for remote rural areas and poor communities, to strengthen the process of democratization and to ameliorate the endemic problem of poverty (Norrish, 2000). With the privatization of the Nigeria Telecommunication system, mobile phones are increasingly becoming affordable by average Nigerian (the poor), and they help to overcome rural isolation and make communication easier. The wireless technologies have entered remote rural areas thereby reducing the reliance on costly fixed telephone infrastructures. In many rural areas, over 50% of households make regular use of the telephone when compared with few years ago when the figure was less than 5%. Such accessible communications are now being used for family contact, reduction of the necessity for trips, access to government services, and much more. Both radio and telephone are now operating in Nigeria regardless of the language spoken and do not require literacy, which helps in explaining the exceedingly high utility and utilization of both. The Internet-based communications is however found to remain the least effective in majority of the rural areas of Nigeria because the resource thresholds are far higher, typically requiring higher-quality communications, electricity, technology infrastructure, and literacy in a computer-supported language.

ICTs are also found as tools that open new opportunities and new threats (often by virtue of each other). They have a far more enabling role in building the capacity of the intermediary institutions that work for poverty, rather than directly affecting poor themselves. ICTs have the greatest potential to act as a facilitator for specific development initiatives such as the cassava, rice initiative programmes that are

currently operational at grass roots in Nigeria. Access to ICTs provides information on prices, markets, technology, and weather to the poor farmers. Community-based telecasters have the potentials to empower rural communities and facilitate socio-economic developments in agriculture. It uses selected ICTs (e-mail, Internet, phone, radio, TV, print) to accelerate the wider delivery of appropriately packaged agricultural information and other relevant information useful for the poor.

ICTs offer information and knowledge, which are critical components of poverty alleviation strategies; they make available easy access to huge amounts of information useful for the poor. Through the new technology, particularly networked Internet technologies, anyone can find almost anything. There are fewer secrets, and fewer places to hide. Educated but poor farmers and traders in Nigeria are now promoting their products and handle simple transactions such as orders over the web with payment transactions for goods being handled off-line (O'Farrell et al 1999). Evidence has also shown that even though trading online is not a common practice by the poor Nigerian; the technology is cheaper and faster paper-based medium, telephone or fax. Electronic-commerce enables entrepreneurs to access global market information and open up new regional and global markets that fetch better prices and increase earnings. The lack of adequate healthcare is one of the most onerous aspects of poverty. There has been significant focus on using ICTs to actually deliver healthcare (telemedicine) and as a way of educating people on health issues in Nigeria. For instance, preventive measures of AIDS and current incident of bird flu are communicated to the poor through television, Internet, radio, posters etc. However, there are other uses of technology, which have the potential for revolutionary improvements in the delivery of healthcare. In most cases, the technology is being used in its simplest forms to aid in the collection, storing and retrieval of data and information.

ICTs have assisted Nigeria in the reduction of unemployment rates at national, urban and in rural areas of Nigeria. Through the establishment

of rural information centers in most parts of the country, ICTs have created employment opportunities in rural areas by engaging telecaster managers, subject matter specialists, information managers, translators and information technology technicians. Such centers have helped to bridge the gap between urban and rural communities and reduce the rural-urban migration problem. The centers have also provided training and those trained have now become small-scale entrepreneurs in their respective areas. Thousands of the poor Nigerians have also benefited from telephone service through sales of either accessories or Telephones.

Sound decision-making is dependent upon availability of comprehensive, timely and up-to-date information. Information is also needed to facilitate the development and implementation of food security policies. Introduction of mobile phone in Nigeria has helped in transmitting information to and from rural inaccessible areas.

ICTs have helped in the empowerment of a number of rural communities in Nigeria and give them "a voice" that permits them to contribute to the development process. With ICTs, many rural communities acquire the capacity to improve their living conditions and become motivated through training and dialogue with others to a level where they make decisions for their own development (Balit 1998). According to the ILO (2001), ICTs have assisted significantly in socio- economic development of many poor Nigerians.

In Nigeria, the ICTs have also helped to impact on the livelihood strategies of small-scale enterprises and local entrepreneurs as well as in the enhancement of various forms of social capital. A proportion of the research literature discusses social capital and ICT from general internet studies as well as specifically place based research (O'Neil 2002). Social capital theory, particularly since Putnam (2000), has attracted the attention of scholars working to understand ICT in local as well as historical communities. While Putnam's theory focuses on the value of bridging across-group social ties, earlier social capital theory particularly

Coleman (1988), emphasizes the value of bonding within-group social ties. ICTs initiative is part of existing social interactions, they reduce the friction of space not the importance of place (Hampton 2004). The technologies have been viewed as part of a complex ecology of communication tools that enable local social interactivity. For instance, the Internet is a tool for maintaining social relations, information exchange, and increasing face-to-face interaction, all of which help to build both bonding and bridging social capital in communities (Kavanaugh and Patterson 2001). ICT initiatives play a significant role in developing and sustaining local social ties and stronger ties are characterized by broader media usage (Haythornthwaite, 2005).

The use of ICTs in the enhancement of various forms of Household livelihood assets including social capitals following Desatge et al (2002) are highlighted as: Natural Capital; opportunities for accessing national government policies. Through the use of ICT, some information on effects of environmental degradation that causes poverty is communicated through radio. The radio plays are communicated in several local languages to people. These have helped many communities to improve their conservation practices.

Conclusion

The use of ICTs in stemming the tide of economic recession in Nigeria was discussed. A number of possible initiatives for fast tracking the economy and alleviating the suffering of the poor have become imperative. Modern information and communication technologies have created a "global village," in which people can communicate with others across the world as if they were living next door. Global financial crisis has come with its devastating effect on global economies. Governments in developed and developing economies are working assiduously to salvage the remains of devastated economies. The decision of the government to bailout the banking sector while allowing the capital market to gyrate on its own to the detriment of capital market investors might have an

adverse effect on the economy. This is more so because savers deficit will be at the mercies of banks. Such development will make the financial system atrophied in nature, encourage banks to misbehave and hurts economic growth in Nigeria on the long-run. The accepted alternative hypothesis in this study has empirically confirmed that the global financial crisis strongly affect the Nigerian economy because of uncertainty in foreign direct investment and Money Supply that could create uncertainty in the level of investment which retards economic growth It slows down the economy, investors are discouraged, producers do not have access to external fund to produce, consumers lack necessary money due to unemployment and therefore they cannot afford to buy the available goods in the market.

Recommendation

The study proffers the following recommendations which are hoped to form panacea for the issue at stake.

There is need for the regulatory authority to device new means of early detection of distress signs in the banking industry. The regulatory authority should enhance its remedial programmes to fix the core causes of crisis in the banking industry.

There is an urgent need for the total overhaul of regulations and regulatory framework, in order to enhance both the on-site and off-site examination and supervision of the banks.

Political stability is an important factor that encourages investment in an economy. So our nascent democracy should be nurtured.

There needs to be an understanding of whether and how Nigeria and other developing countries can minimize financial contagion; Nigeria and other developing countries will also need to manage the implications of the current economic slowdown – after a period of strong and continued growth in developing countries, which has promoted interest in structural factors of growth, international macroeconomic management will now move up the policy agenda.

Nigeria and other developing countries need to understand the social outcomes and provide appropriate social protection schemes.

There is a need for new stability of the global financial system in which the voice of every nation, every continent is heard and their concerns taken into account.

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