ECONOMIC DEVELOPMENT OF THE ASIAN TIGERS: LESSONS FOR NIGERIA

By

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Abstract

The research is a study of the economic development policies of the Asian tigers and the lessons for Africa's most populous nation, Nigeria. The place of the Asian tigers in 21st century development studies have become important because as recently as the early 1960s the economies of these Asian Tigers were considered to be a part of the third world. Since then however, the four tigers of South Korea, Taiwan, Singapore, and Hong Kong have consistently maintained high levels of economic growth, fuelled by exports and rapid industrialization, which enabled these economies to join the ranks of the world's richest nations. South Korea and Taiwan in particular have become important hubs of global manufacturing in automobile/electronic components and information technology. This is termed the 'Asian Miracle. Interestingly, this research tries to unveil this puzzle. Indeed, many other developing economies since the 1960s have remained where they are or are even worse off. The research aimed to answer the pertinent question which is 'how did they achieve it?' While many scholars have tagged this feat a miracle, this study found out that there were some similar features about all the tigers in their transition from underdeveloped states to wealthy-developed states in just a span of three or four decades. The research discovered that large-scale agriculture, trade export, educational reforms, establishment of heavy and hi-tech industries, limited budget deficits and limited external debt all contributed to the rapid growth of the tigers. The research concluded that Nigeria has a lot to learn as she continually grapples with development. She must diversify her economy beyond oil and expand her scale of agriculture to increase agricultural exports, improved micro-economic policies that will limit external borrowing and budget deficits, avert capital flight and ensure proper re-investment of funds into the economy.

Key Words: Asian Tigers, Economic Development

An Introduction

The Asian continent had historically been a prosperous one before the advent of colonial exploitation in about the 19th century. The Mughal period (1526–1858 AD) in India and the various Chinese dynasties were all more economically prosperous than many other regions of the world at the time. The continent is the birthplace of all the earliest known civilizations. Present day Iraq, Kuwait, and Northern Syria, was the famous Mesopotamia that is highly renowned as the birth of numerical mathematics. It is the source of the 60-minute hour, 24 hour day, and 360-degree circle amongst many other advancements made. The three major religions of the world which are the Revealed Regions all have their roots in the Asian continent. This accounts for the continent as the world's centre to religious pilgrimage which is a good source of revenue for the region.

Colonialism however, thwarted the development of Asia as resources were hugely exploited by the British and the Dutch using the British East India Company during the advent of industrial capitalism in 18^{th} century Europe. Towards the middle of the 20^{th} century, the First and Second World Wars also devastated Asian economies especially as it was violently scrambled for. But with the wars over, and with independence of many Asian countries in the late 1940s, a rebuilding process begun, a step towards a height that will later become a model of development evolved (Bhattacharjea, 2008).

By the 1950s when many Asian countries were now independent, many of these countries were among the poorest and least developed nations of the world (Chang, Ha-Joon et al, 2004), but today Asia has achieved unprecedented growth and development and has become hub of rapid industrialization that makes many of its economies especially from the East, the most wealthy economies of the world.

The economies of East Asia is one of the most successful in the Asian region and the most successful 'regional economies' of the world since the late 20^{th} century. It now accounts for some of the largest economies of the world which include China, Japan, and the Asian Tigers. Of interest in this study however would be the economies of the Asian Tigers which comprises of Singapore, Hong Kong, Taiwan, and South Korea. Their average economic growth rates from the late 1950s to the late 20^{th} century surpassed that of Europe and America (Harvey, Charles et al, 2002). Their success has been tagged the 'Asian Miracle' because of the level of advancement they have achieved in such little a period. In truth, these economies took only about three decades to become amongst the wealthiest economies in the global system. Their success story has equally negated many traditional perceptions on development hitherto held.

The interest on the East Asian experience has been further increased because those economies have grown fast, undertaken deep economic, social and technological changes and some are catching-up with (or, as in the case of Japan, China, and South Korea have overtaken) the most advanced economies, whereas most of the developing world has failed to fulfil the promises of the sixties and seventies. This raises the questions of what is the cause of that success, what lessons are there to be learned, and whether the East Asian experience can be replicated in other 'Less Developed Countries'. This will be the focus of this research as it aims to assess the key features that enabled the Tigers to progress, and show what lessons Nigeria can learn from this success story.

The Asian Tigers

The term 'Asian Tigers' refers to the developed economies of Hong Kong, Singapore, South Korea, and Taiwan. The development pattern of the East Asian economies is not entirely unique. Hence, each country had its own trait. Hong Kong's economy was the first out of the four to undergo industrialization with the development of the textile industry in the 1950s. By the 1960s, manufacturing in the British colony had expanded and diversified to include clothing, electronics and plastics for export orientation (Vogel, 1991). Following Singapore's independence from Malaysia, the Economic Development Board formulated and implemented national economic strategies to promote the country's manufacturing sector. Industrial estates were set up and foreign investment was attracted to the country with tax incentives. Meanwhile, Taiwan and South Korea began to industrialize in the mid-1960s with heavy government involvement including initiatives and policies. Export-orientated industrialization was followed by both countries (Krugman, 1994). A more detailed case of each Tiger would be assessed to view how each sought its own advancement and what has become unique for each of the Tigers.

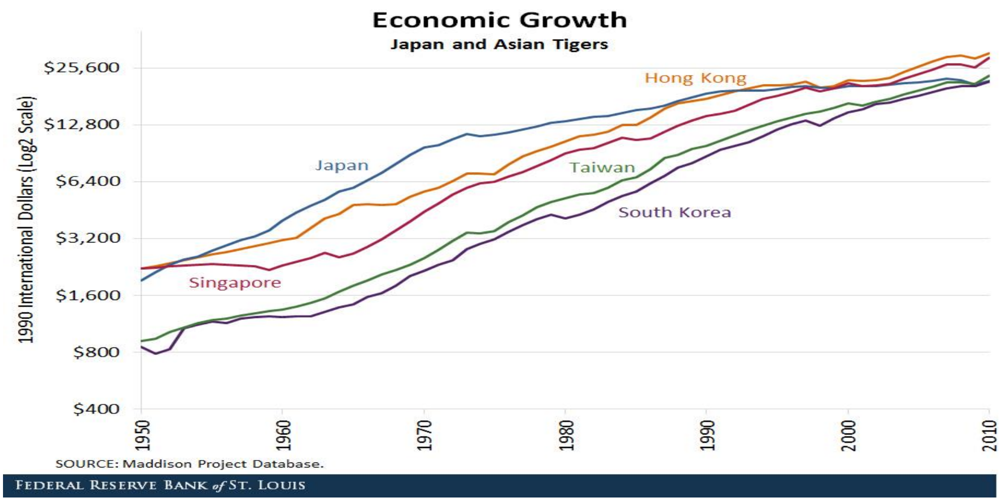
South Korea: After the Korean war of the 1950s, US aided South Korea in developing its market by subsidizing 70% of South Korea's exports (Collins, 1990). This subsidy implied that Koreans could sell products such as rice on the world market for greatly reduced prices (since the United States government was shouldering most of the cost), giving Korean exports a significant advantage over the exports of other developing economies (Kim C, 2005). This advantage helped Korea's transition from a subsistence economy producing largely agricultural products (like rice) to a major manufacturer of goods in just seven years (1953-1960). Following this, the South Korean government instituted very good economic policies, funding excellent education programs in public schools and building vital infrastructure for their cities and ports. This helped to give the nation an unusually easy transition into the second stage of economic development, and over time this meant that the country gradually became a wealthy nation through consistent growth followed by reinvestment in the economy (Shin, 2003). Thus, it has been a long road from the war devastation to its current position as a member of the G20 economies.

Taiwan: The case of Taiwan is quite similar to South Korea. In 1927, a war broke out between Chinese capitalists (represented by the Kuomintang) and the Communist Party of China under the leadership of Mao Zedong (Wu, 2004). The war lasted until 1949, when the Communists eventually took over the Chinese mainland and the pro-capitalist Kuomintang were forced to retreat to the small island of Taiwan, where they established a new economy based on free-market principles (HO, 1987). Beginning as a largely impoverished nation, Taiwan has grown to become one of world's economic leaders with a quality of life similar to wealthy European countries (Sobel et al, 2010). Their consistent economic growth has made them one of the select few members of the Asian economies (Chang, 1995).

Singapore: Like the other Asian Tigers, the city-state of Singapore was an undeveloped country about fifty years ago. Today, it is one of the world's fastest growing economies. For a country that lacks sufficient territory and natural resources, Singapore's economic ascendancy is nothing short of remarkable. It is located on the Southern tip of the Malaysian Peninsula, and it is the third-smallest country in the world in terms of land mass after Monaco and the Vatican City. Singapore is more often described as a city rather than a country (Huff, 1987). Singapore was previously owned by the British Empire until it was invaded and conquered by Japan in 1942 during the Second World War; but when Japan was defeated at the end of the war, precisely in 1945, Singapore reverted back as a British protectorate until it became a sovereign state in 1965 after a strong anti-colonial protest. Upon independence, Singapore experienced increased problems. Much of the city-state's three million people were unemployed and more than two-thirds of its population were living in slums and in abject poverty. According to Harvey (2002), Singapore's success as a rapidly growing economy is perhaps the most easily explained of the Four Asian Tigers and its long road to economic prosperity is evident as it has become the global hub of tourism and a global financial center.

Hong Kong: From a relatively unpopulated territory at the beginning of the nineteenth century, Hong Kong has grown to become one of the most important international financial centres in the world (SO, 1986). The country has undergone rapid industrialization especially during the 1980s and 1990s that has captured the imagination of many.

Figure 1: Showing Economic Growth of Asian Tigers and Japan



Development Policies

The spectacular growth of many economies in East Asia over the past 30 years has amazed the economics profession and has evoked a torrent of books and articles attempting to explain the phenomenon. Research on reasons behind the successful transformation of these economies to First World economies have continued to linger. As already stated, their success story is referred to as the "Asian Miracle". Some of the economies of this region include Hong Kong, South Korea, Singapore, and Taiwan Province of China, Japan, Malaysia, Indonesia etc. Since 1960, Asia, the largest and most populous of the continents, has become richer faster than any other region of the world. Of course, this growth has not occurred at the same pace all over the continent (Cohen, 2012). According to Chang et al (2004), the western part of Asia grew during this period at about the same rate as the rest of the world, but, as a whole, the eastern half (ten countries: China, Hong Kong, Indonesia, Japan, Korea, Malaysia, the Philippines, Singapore, Taiwan Province of China, and Thailand) turned in a superior performance. This unprecedented advancement is, however, still modest compared with the phenomenal growth of Hong Kong, South Korea, Singapore, and Taiwan Province of China, known as the "Four Tigers" because of their powerful and intimidating economic performance (Garran, 1998).

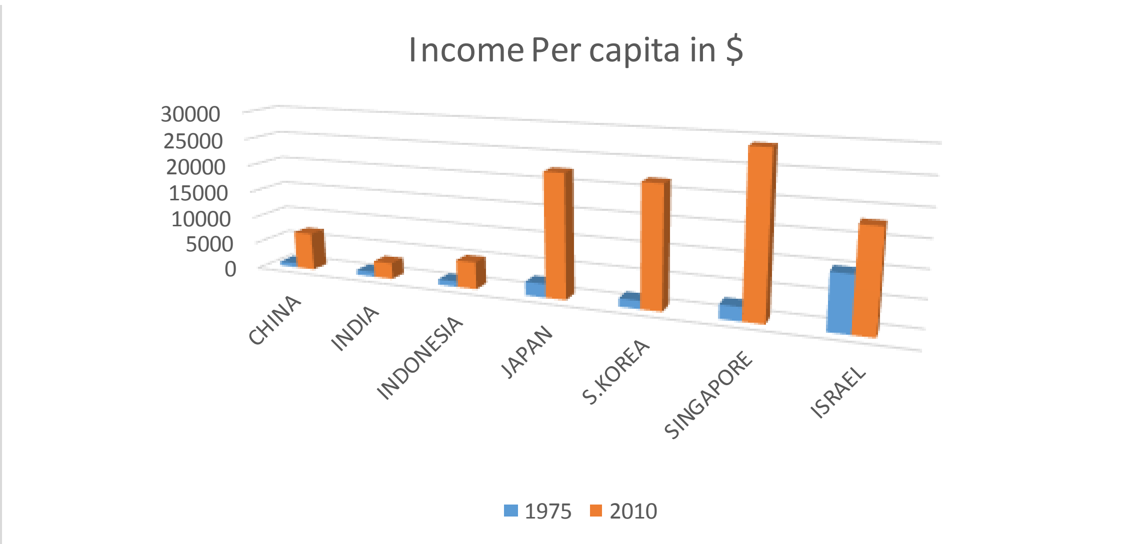
According to this model, a country begins with the export of inexpensive products, then educates its workforce and moves to more lucrative industries (Reference). As recently as the early 1960s these economies were considered to be a part of the third world. Since then however, the four Asian tigers consistently maintained high levels of economic growth, fuelled by exports and rapid industrialization, which enabled these economies to join the ranks of the world's richest nations (Harvey, 2002). Hong Kong and Singapore are among the biggest financial centres worldwide, while South Korea and Taiwan are important hubs of global manufacturing in automobile/electronic components and information technology, respectively. The model by which these economies of the Asian Tigers have developed is termed "East Asian development model". The following were some of the major development policies for some or all:

Firstly, *Agriculture* played a pivotal role in the emergence of the Asian Tigers. At their initial stages of development, they were largely agrarian economies that transited from agricultural self-sufficiency to agricultural commercialization. This phase was marked by export growth that resulted in the transformation of light industries to heavy industries (Rainis, 1991). These economies begun to improve their growth rate through continuous export of cash crops to the world market. For Korea, its first phase of development constituted recovery from the devastation of the war, with an average of 30% of US foreign aid going towards agricultural equipment. This created the enabling platform for South Korea's agricultural exports under US influence. Taiwanese take-off point was from an agrarian economy as well. By the 1950s, the economy had become largely agrarian following the end of the Second World War, engaging in agricultural exports in rice, sugar and pineapples, basic food processing plants. Agriculture was majorly the take-off stage for the Tigers, and it resulted to expanded revenues through increased export (Alwyn,1995).

Secondly, *Trade policy and Foreign Investment* was another key feature of the Tigers development. With expanded agriculture, trade and investment became the key policies that contributed to the economic growth of the Asian tigers. Starting in the 1960s, the capitalist regime in Taiwan decided to lower tariffs (taxes) on all exported goods (Krugman, 1994). But the same measure was applied to imported goods. This stage saw the rise of light industries not just in agriculture, but in textile production. This phase remained significant up to the 1980s, and after the 1980s, heavy industries were quickly established, in steel, electronics petrochemical amongst others. Also with abundant infrastructure and with the civil conflict in neighbouring China, wealthy global corporations began to flock to Taiwan and construct factories, using its cheap labor to produce clothes and other knickknacks (such as small toys or ornaments) at a very low cost. This boom in foreign investment once again gave the government a surge of wealth, which it used for investments in infrastructure which included the building of highways, seaports, airports and power plants (Harvey, 2002).

In order to attract investors, Singapore had to create an environment that was safe, corruption-free, low in taxation, and unimpeded by unions. Thus, since the 1970s, Singapore enjoyed a rapid rise in incomes as a result of a boom in foreign investment (Cohen, 2012).

Figure 2: Showing the growth in Income per capita of Select countries from 1975 to 2010



Source: Maddison Database 2010

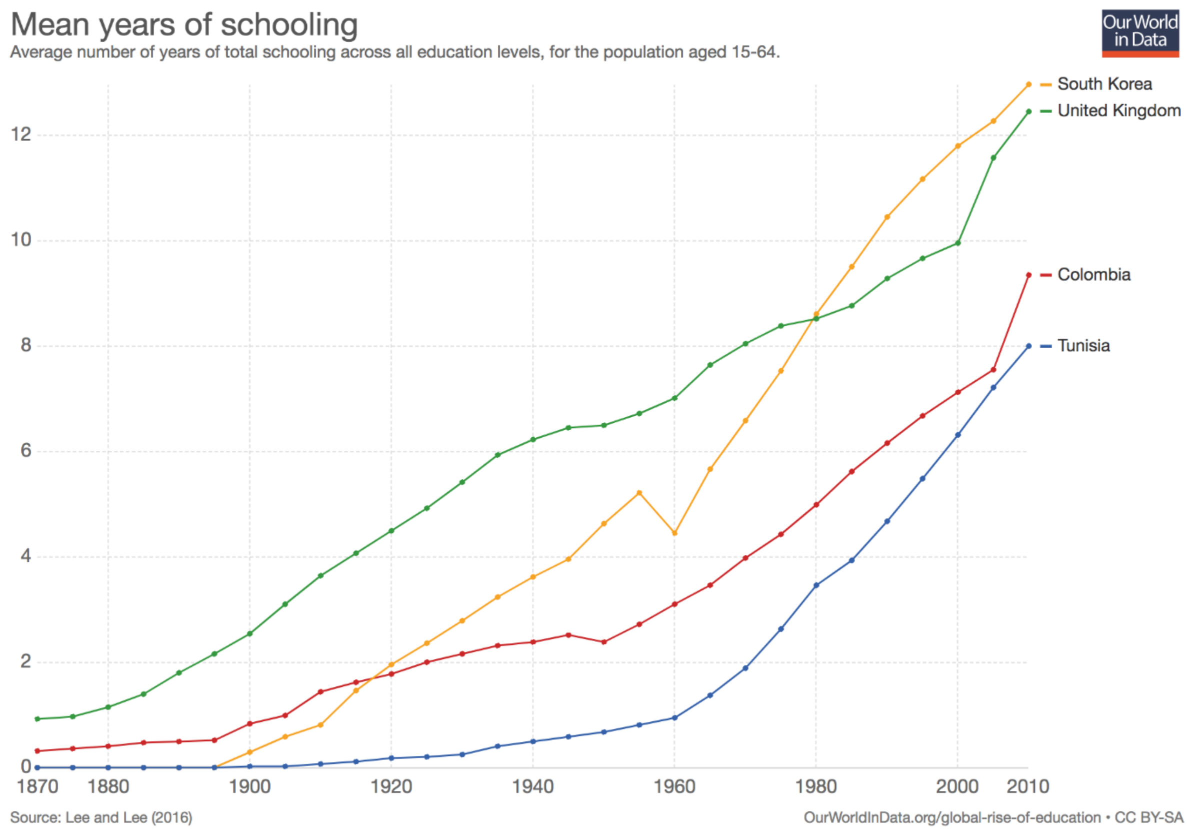
In 1972, just seven years after independence, foreign-owned or joint-venture companies from both the U.S. and Japan flourished in Singapore causing increased Gross Domestic Product (GDP) experienced annually (Chang, 2004). As foreign investment poured in, Singapore began focusing on developing its infrastructure. The country took advantage of its perfect geographic location that is highly suitable for global commerce to construct seaports. Being a country at the Malaysian peninsula, a region suitable for international trade because every ship going from Japan, China or Korea must pass right beside the peninsula to get to Europe, Singapore took the advantage to become a global commercial center to enhance international trade. The region then became an abode for petrochemical refineries (Cohen, 2012). Hence, oil ships carrying oil from the Middle East to Japan and China would have a stop-over in Singapore to refine their chemicals, and continue with their cargo voyage. This phase brought about unprecedented revenue for Singapore. While foreign inward investment has continued to experience a boom in Singapore with over 3,000 multinational corporations from the United States, Japan, and Europe found in almost all sectors of the economy due to the Singaporean corrupt-free government, skilled workforce, and advanced infrastructure, the government also has encouraged indigenous firms to invest outside Singapore, and this has also resulted in large overseas investments in the People's Republic of China as top destination, followed by Malaysia, Hong Kong, Indonesia and the now the US (Banuri, 2013).

In 1900, Hong Kong's trading seaport was amongst the largest in the world, attracting large amounts of foreign investment from companies in both China and Europe. This city received another sudden boost in foreign direct investment in the 1940s, when China's Communist Party began winning the civil war; hundreds of Chinese merchants fled China, fearing that the Communist government might take over their business. Many of these merchants set up shop in Hong Kong, where they were allowed to continue doing business without government interference (SO, 1996). Nevertheless, industrialization accelerated after 1949 with the inflow of refugees and entrepreneurs. Hong Kong's citizens gradually became much wealthier than the residents of other Asian nations as the city continued to attract copious amounts of foreign investment. By the 1960s, Hong Kong was one of Earth's major producers of textiles (clothes and carpets). During this time, small and medium scale enterprises were the basic industries (Banuri, 2013). They became largely progressive in the textile sector before gradually diversifying in the 1960s to clothing, plastics, and electronics' production mainly for export. It used this continuous inflow of wealth to build vital infrastructure, including highways, subway systems and high-rise buildings at breath-taking speed. Hong Kong today has expanded its trade products and trade destinations. It has become amongst the world's largest exporter of

Jewellery, gold and silver wares, electrical machineries, electrical parts, medical and pharmaceutical products. Their major market destinations are the US, Japan, India, Europe, and Africa etc (Cohen, 2012).

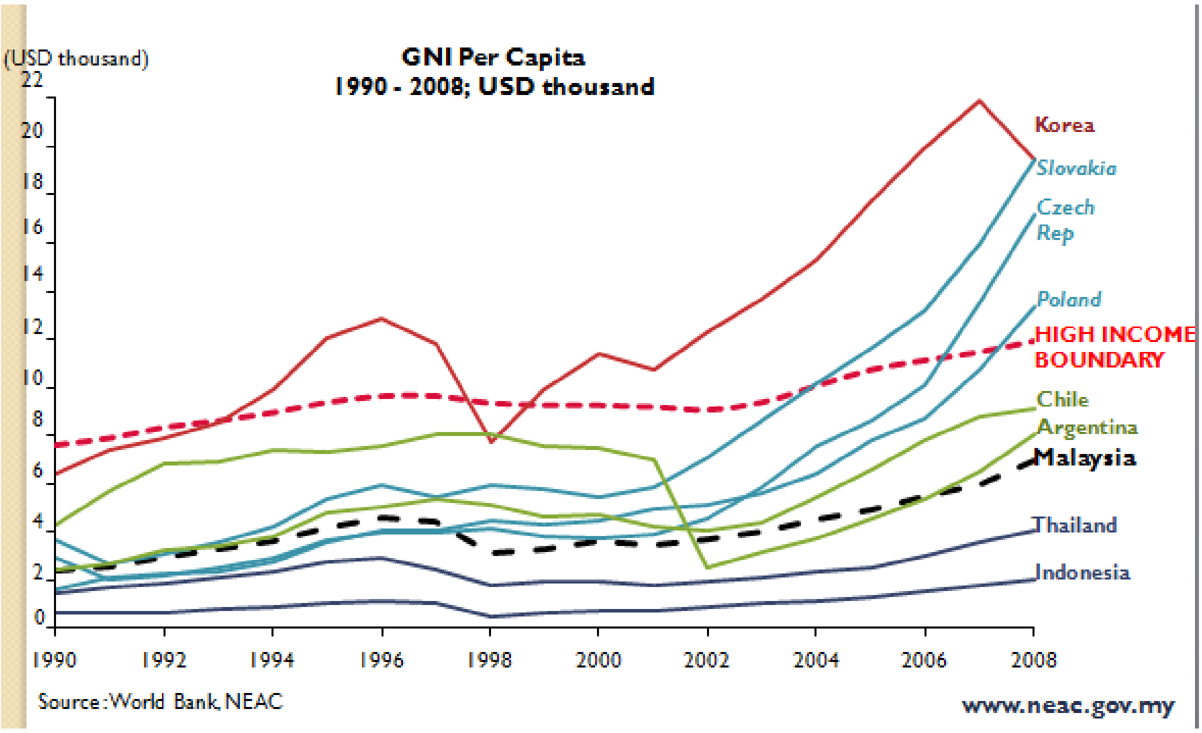
Another major policy-feature of the Tigers' development was *Education, Technology, and Industrialization*. This phase was marked by governance that centered on industrial and macro-economic policies. This period was known for the improvement of quality labour for the industrialization through education. The quality labour for industrial production was consequent of the emergent educational class. Korea in particular, gradually became one of the best educated countries in the world, with one of the highest rates of scientific literacy and mathematical knowledge.

Figure 3: Showing Average number of years of Schooling in South Korea and other Selected Countries



It's highly skilled, technologically educated public caused Korea to eventually become one of the world's foremost exporters of high-tech goods, including software and electronics; South Korea is the world's leading producer of memory chips, and its Samsung Company is a corporate giant which exports various electronics including televisions, microwaves, cell phones, air conditioners and washing machines (Banuri, 2013). Also the evolution of high technological industries from the 1990s became the breakthrough period for some the tigers like South Korea and Taiwan (Chang, 1995). Prominent among the Korean high tech industries which are amongst the global leading developers of technology include: the Conglomerates of Hyundai (Hyundai Electronics, Hyunndai Construction and Engineering, Hyundai Motor Company, etc) and LG (LG Electronics, LG Telecom etc), Kia Motor Company, Samsung etc. Today, South Korea is a booming trillion dollar economy. Its citizens enjoy very high incomes and a standard of living rivaling that of even traditionally wealthy nations such as Britain and Germany. It boasts the world's greatest number of people with internet access. In the center of this new economy lies the spectacular city of Seoul; with its skyscrapers sparkling, a modern miracle of economic development.

Figure 4: Showing Gross National Income per capita in South Korea and other Selected Countries

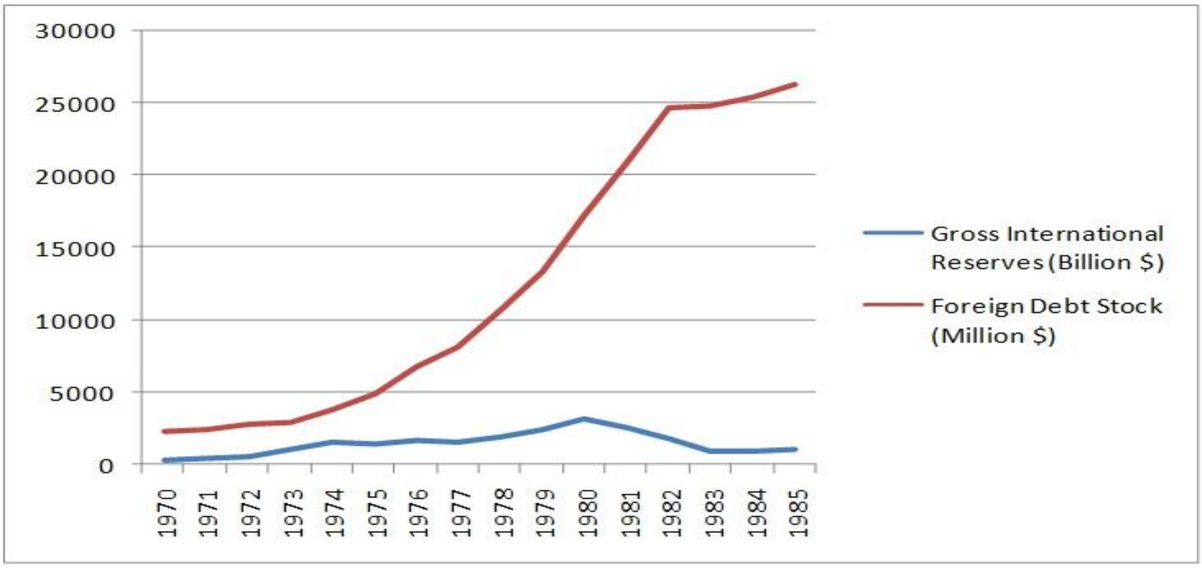


Like South Korea, Taiwan also invested in technological education, creating a generation of students familiar to produce high-tech products. Both of these investments caused Taiwan's industrial production and exports to grow rapidly. During the 1980s, Taiwan used its skilled students to shift to an economy based on production of computer hardware and software; by 2003, 30% of the world's computer products were made in Taiwan, and incomes were relatively high (averaging $14 000 per person). High food production in part by US foreign aid that supported the capitalist regime, combined with low tariffs, good infrastructure and a highly educated population made Taiwan into one of the most prosperous economies in all of Asia and the world (Cohen, 2012). Today Taiwan has numerous heavy industries which include Neo Solar Power industries.

Singapore used this continued surge in wealth to invest in public education. The country set up many technical schools and paid international corporations to train their unskilled workers in information technology, petrochemicals, and electronics. The strategy of having multinationals educate their workforce paid great dividends for the country. Soon the country had a skilled workforce skilled in computer engineering. This made Singapore to become a major exporter of computer hardware, generating further wealth in the region (Huff, 1987). By the 1990s, Singapore was already engaged in biotech research, pharmaceuticals, integrated circuit design, and aerospace engineering. Also, by the time Hong Kong families became wealthier, they could now afford to send their children to school, causing the city became rapidly well-educated. Hong Kong soon became one of the world's leading manufacturers of computer hardware, software and other electronics such as televisions, radio and microwaves (Krugman,1994).

Besides the policies stated above which include agriculture, trade and investment, educative technology and industrialization, there were other development policies that centred on financial intelligence. All the Tigers for instance, had 'Limited Budget Deficits' during the periods of their transition (Alwyn, 1995). A budget deficit is a situation where government budgets more spending than the available revenue to cover the estimated expenditure for the fiscal period usually a year. The four tiger nation's budget deficits were maintained within their financial limits and this was in other to retain economic stability. In addition, most of the Tigers had 'Limited External debt'.

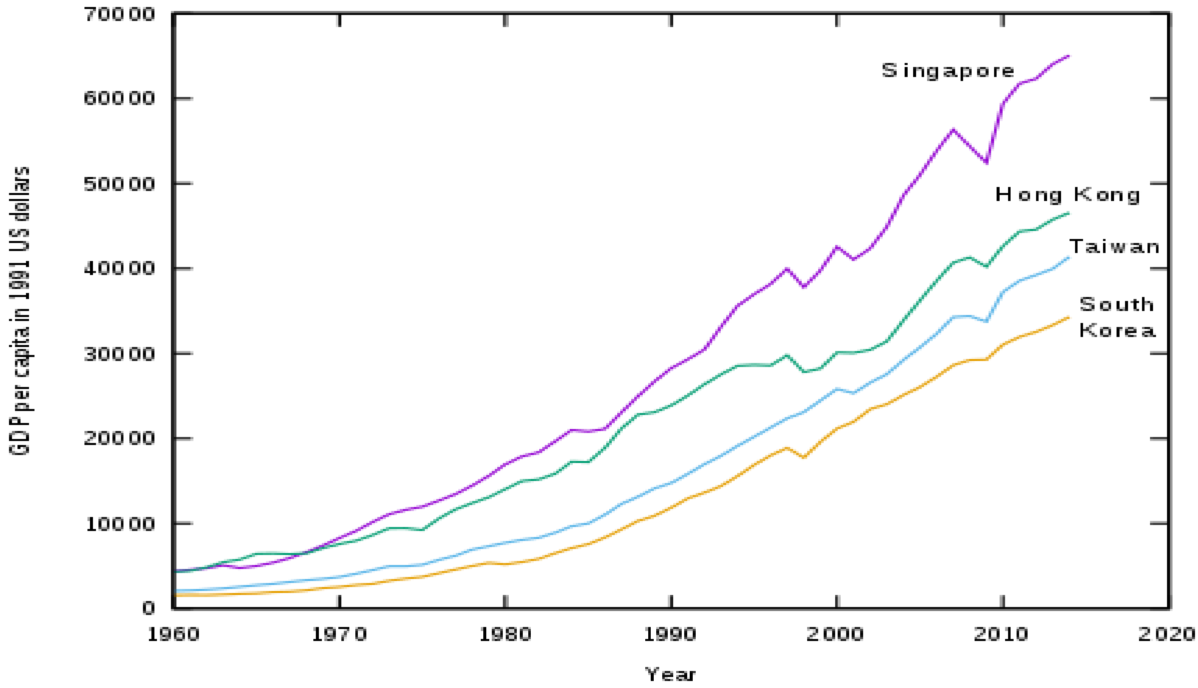
Figure 4: Showing the disparity between Gross Internal Revenue and External Debt for the Asian Tigers



Source: IMF & World Bank Reports

External debt was non-existent for Hong Kong, Singapore and Taiwan, as they did not borrow from abroad. Although South Korea was the exception to this -its debt to GNP ratio was quite high during the period 1980-1985, it was sustained by the country's high level of exports (Chang, 2004).

Figure 5: Showing the growth in Gross Domestic Product per capita from 1960 to a projected 2020 for the four Asian Tigers

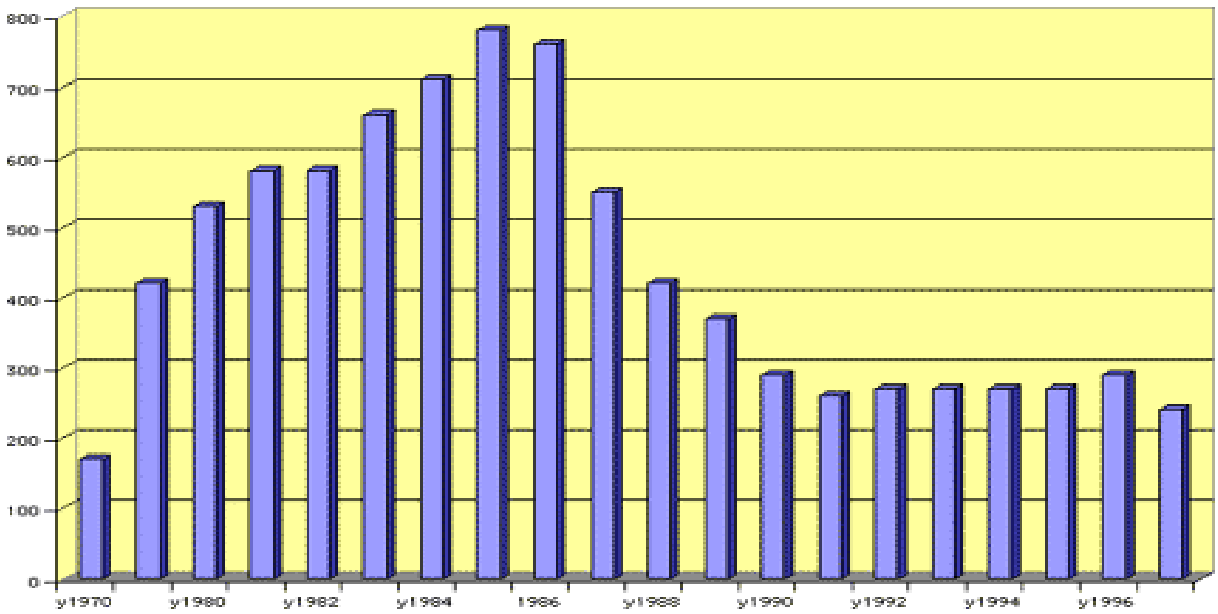


The Lessons for Nigeria

The spectacular economic growth of the Asian Tigers has amazed theorists in many fields but most notable development studies, economics, and International Relations. Their economic advancement has evoked a torrent of books and articles attempting to explain the phenomenon. Their growth rates, sustained over a 30-year period, are simply amazing. Scholars have attributed the success of the economies of the East Asian region, particularly the Tigers, that is, Hong Kong, Korea, Singapore, and Taiwan Province of China as "miraculous." This section of this paper attempts to identify the reasons for the extraordinary economic growth among these East Asian economies and try to highlight what lessons Nigeria, a developing economy\ can learn. Nigeria is Africa's most populous country, and has one the largest economy in continent, yet the country is still backward in terms of economic development. Because development in the country is slow, further crisis such as increased poverty, conflict, rising debt etc has plagued the country causing further retrogression.

Basically, Nigeria has been a mono-based economy. The oil boom of the 1970s led Nigeria to neglect its strong agricultural and light manufacturing bases in favor of an unhealthy dependence on crude oil. In 2002 oil and gas exports accounted for more than 98% of export earnings and about 83% of federal government revenue. New oil wealth, the concurrent decline of other economic sectors, and a lurch toward a statist economic model fueled massive migration to the cities and led to increasingly widespread poverty, especially in rural areas. A collapse of basic infrastructure and social services since the early 1980s accompanied this trend. By 2002 Nigeria's per capita income had plunged to about one-quarter of its mid-1970s high, below the level at independence.

Figure 6: Showing the Economic Growth of the Nigerian Economy under Selected Years



Source: Nigeria Bureau of Statistics

Agriculture has suffered from years of mismanagement, inconsistent and poorly conceived government policies, and the lack of basic infrastructure. Still, the sector accounts for over 41% of GDP and two-thirds of employment. Nigeria is no longer a major exporter of cocoa, groundnuts (peanuts), rubber, and palm oil. Cocoa production, mostly from obsolete varieties and overage trees, is stagnant at around 180,000 tons annually; 25 years ago it was 300,000 tons. An even more dramatic decline in groundnut and palm oil production also has taken place. Once the biggest poultry producer in Africa, corporate poultry output has been slashed from 40 million birds annually to about 18 million.

Oil dependency, and the allure it generated of great wealth through government contracts, spawned other economic distortions. The country's high propensity to import means roughly 80% of government expenditures is recycled into foreign exchange. Cheap consumer imports, resulting from a chronically overvalued Naira (Nigeria's currency), coupled with excessively high domestic production costs due in part to erratic electricity and fuel supply, have pushed down industrial capacity utilization to less than 30%. Many more Nigerian factories would have closed except for relatively low labor costs (10%-15%). Domestic manufacturers, especially pharmaceuticals and textiles, have lost their ability to compete in traditional regional markets.

But just about 30 years ago, the Asian Tigers were in almost the same conditions as Nigeria, but today their conditions has seen them evolve from third world to first world economies, and they have become amongst the wealthiest economies in the world. They have a first class infrastructure and their citizens are wealthy and well employed. But if 30 years ago, they were at the same stage with Nigeria, how did they evolve to this present stage? What did they do that Nigeria has not done? And what must Nigeria start doing today? This study has highlighted selected factors that can be the basis for this:

Education and Technology: On the overall, one of the major factors as observed in the development stages of the Tigers, was the emergence of the educated class that had a mastery over technology. According to Krugman (1994), the success of the Asian Tigers emphasizes the role of technology in their high growth rates and focuses on the fast technological catch-up in these economies. In this view, these economies have succeeded because they learned or were educated about the use of technology faster and more efficiently than other regions did.

Education in particular is cited as playing a major role in the mastery of technology. The levels of educational enrolment in the four Asian tigers were higher than predicted given their level of income. Harvey (2002) explained that by 1965, all four nations had achieved universal primary education. South Korea in particular had achieved a secondary education enrolment rate of 88% by the end of 1987. There was also a notable decrease in the gap between male and female enrolments during the Asian miracle. Overall these progresses in education allowed for high levels of literacy, cognitive skills, and highly productive labour force. Krugman (1994) explains that significant economic resource was channelled to education at all levels, and compulsory education was imposed on primary and high school education. Cohen (2012) also posits that large amount of financial resources was geared towards improving college and university system that brought about increased levels of human capital development in the tiger countries. This education reforms attained through adopt of foreign knowledge and technology began to yield capital productivity. Hence, the technological catch up was significant to the

Asian tiger's growth as educational attainment was marred with practical knowledge, and thus emerged the educated class that provided skilled-labour for the emerging industries.

Nigeria is a country with one of the highest number universities in the world. It is a country with close to 200 universities. Unfortunately, it is not the quantity, but the quality that is required to achieve unprecedented economic growth. The educational system in Nigeria rarely provides skilled-labour for industrial operations. Most graduates in Nigeria are not just unemployed, but are unemployable. There is thus, the need for a change in the Nigerian educational system. And it is also important that the platforms for 'technology' to be attractive, assimilated, and mastered, should become the hallmark of any educational reform that will improve human capital development in Nigeria. Hence, except there is a revolution in Nigeria's education system where potential graduates are impacted with practical knowledge in diverse fields, graduates will only continue to emerge in quantity but not quality, and the search for the indigenous skill-labour that will industrialize Nigeria to become amongst the industrialized nations of the world will remain elusive. Thus, every field of study in the Nigerian university system must be adjusted to have an entrepreneurial content, and secondly, a practical course on technology should become imperative for all students regardless of the major field of study.

Passion and Will-Power: It is argued that East Asian populations especially from the Tigers' countries have demonstrated rapid learning capabilities and that perhaps best explains why the education of a work force would have easily translated to skilled-labour force for these economies. But learning only comes when there is a will to know. Many of these East Asian countries have had the will-power, the passion, zeal, to advance. In a nutshell, they have been highly inquisitive people. Besides education, small and medium scale entrepreneurs made their own impact through little craftsmanship that advanced to larger entrepreneurial industries. These Asian economies became interested in doing everything that the west did. They were interested in making every manufactured goods made in the west. That is the power of inquisition. The will to develop was there, and it was pragmatically pursued. Nigeria, is a country where the zeal to acquire knowledge is on the decline. A large number of young minds are not interested in acquiring skills on industrial production, and this is evident with the high rate of illiteracy and traditional belief systems. But also a growing trend of zealousness to become artists in diverse forms in the country erodes any passion for scientific revolution. In addition, rewards for performing artists have surged higher than rewards for scientific performance in Nigeria, causing many young minds to rather pursue a dream or career in performing arts than in scientific research. The trend is rapidly increasing and many young minds in school are not passionate for scientific breakthroughs but are dreaming of that opportunity to break into performing arts.

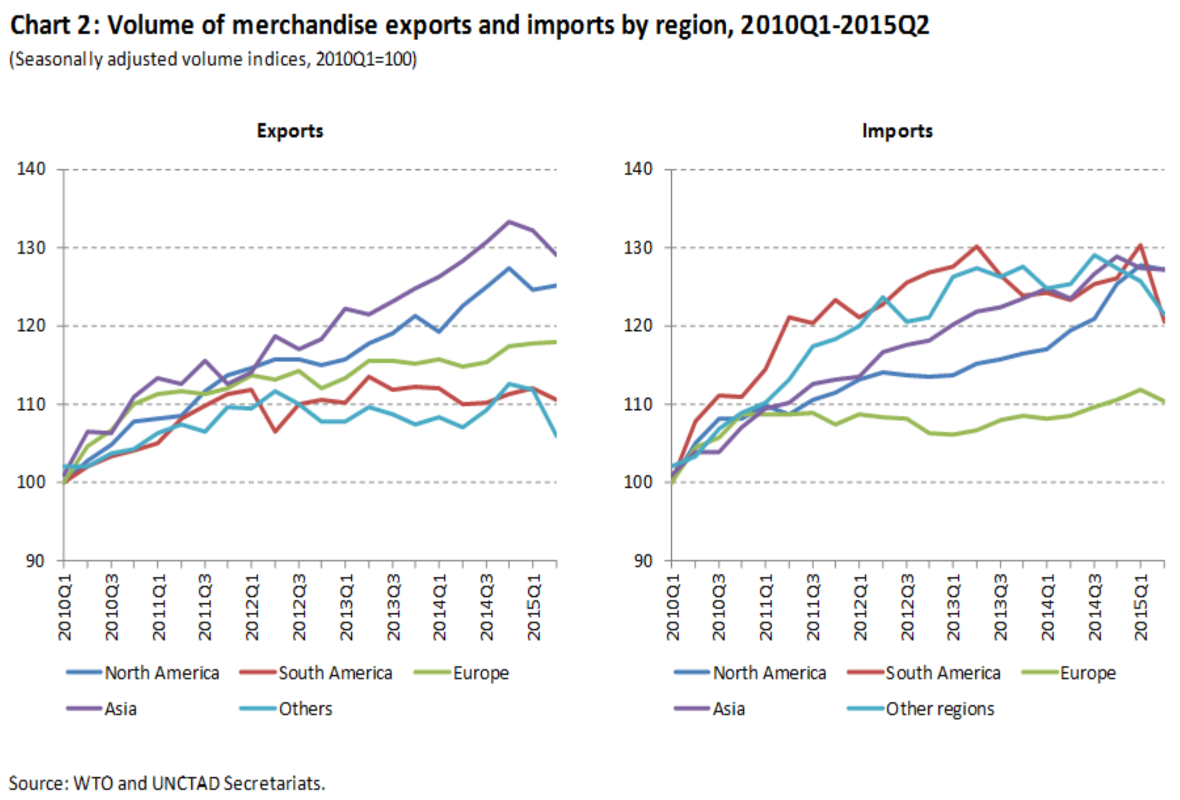
Factor Accumulation: Factor accumulation as defined by the Economic Glossary is an increase in the quantity of basic factors used to produce goods and services in the economy. An example is labour, or capital, and entrepreneurship. Increases in these "factors of production" allow an economy to increase the production of goods and services and thus in the long-run expansion of the economy's ability to produce output that is, economic growth. Economic growth however, is made possible not only by expanding the quantity of the economy's resources, but also by enhancing their quality as we already stated above when we discussed 'human capital development' under education and technology.

The levels of physical and human capital amongst the four Tiger countries far exceeded other countries at similar levels of development at the end of the 1960s (Harvey, 2002). This afterwards led to a rapid growth in per capital income levels (Chang, 2004). Nigeria is a country of vast land, and has capital too. The country has a sizeable labour force, though not of the quality to be highly productive yet. But quality education and students inquisition as explained above can provide a qualitative labour force. Nigeria also has a middle class of entrepreneurs although with slow expansion due to challenges such as power supply problems, security risk, and inadequate innovative ideas to enhance quality productions. Nigeria must therefore exploit the advantage of her vast lands and improve quality labour while increasing capital investment, but at the same time reducing the challenges for entrepreneurial growth. This will lead to increased productivity in the country in diverse areas, and the country will be able to yield more capital accumulation and increased economic growth.

Export and Import Policies: Unknown to many, international trade has been a crucial determinant factor for growth and development for most states within the global system. A crunch of a nation's overall revenue comes from its export earnings. And thus, the higher your exports, the more expansive your revenue base will be. And this is why countries that sell more expensive products, especially automobiles, electronics, and other technological products make huge revenues from international trade more than those that simply supply cheap raw materials. According to Garran (1998), export policies have been the de facto reason for the rise of these four Asian tiger economies. The approach taken has been different among the four nations. Hong Kong, and Singapore were neoliberal in policies and encouraged free trade, while South Korea and Taiwan adopted policies that had more control on their own export industries. But interestingly, both South Korea and Taiwan introduced export incentives for the traded-goods in the export sector to attract buyers in the global market. The governments of Singapore, South Korea and Taiwan also worked to promote specific exporting industries, especially in those sectors most needed to derive massive revenues from international trade. This was viewed as an 'export-push strategy'. All these policies helped these four nations to achieve trade surplus, and a growth averaging 7.5% each year for three decades and as such they achieved developed-country status (Kim, 2005). When a country experiences trade surplus because of its export polices, it experiences an accruement of capital that increases national wealth. Interestingly, all of the tigers in one way or another became some of the leading exporters to the U.S.

From the above, it is obvious that the government of these Tigers were so involved in their development. Why can't the Nigerian government promote export trade for even small industries by giving them incentives? Why can't the Nigerian government also place incentives on Nigerian exports to increase global attraction? These are avenues that can increase foreign earnings in global trade. The Nigerian government needs to diversify her economy and transcend from a mono-economic system that is oil based. Hence, the country needs a new lease where production of agricultural products and other non-oil products must expand to increase exports on the global market and create widening trade surpluses so as to experience the desired economic transformation.

Figure 7: Showing the volume of exports and imports by region (2010-2015)



The above chart shows the export and import growth of Asia from 2010-2015. The chart shows that export growth in Asia was highest than other regions of the world and the Tigers growth has been a major cause for this. Also the chart shows that export growth remained higher than import growth causing consistent trade surplus. For a country like Nigeria, a once 'agrarian economy' to now an 'oil-based economy', export growth has remained relatively low. The discovery of oil in the 1970s resulted to a sharp decline of the volume of agricultural exports, and the incessant unpredictable oil price falls has not helped the Nigerian economy. More so, the country's volume of importation has continued to rise as the country has become a dumping ground for western fairly used goods, and the trend is not abating. Hence, if the Nigeria's trade deficit does not decline, development may continue to be far-off from Africa's most populous country.

Administration and Governance: The governments of the Asian Tigers were investing in development projects specifically human and capital development using proceeds from the capital accumulation rather than divert to private accounts. Nigeria is a country where corruption has become so endemic over the years and this has increasingly become a major stumbling block to the nation's growth and development in every sector of the economy. Studies in the development of the Tigers show that external aid was part of a foundational process that begun their ascendancy. Arguments about the aid-efficacy in developing economies have continued to be a debate (Alwyn, 1995). However, if the Tigers like South Korea benefited from US aid in the recovery process after the war albeit vested interest, it unveils therefore that external aid, if properly managed under non-corrupt administrations, can be efficacious to a large extent. Studies show that the Tigers utilized public funds in the development of their economies. Nigeria has had an endemic problem in public expenditure. Public funds most times end up in private accounts. This has been a recurring problem. Some funds stolen in what is now described as the "Abacha loot" is still being recovered in 2018 for a recovery process that begun as far back as the early 2000s. Stunted growth of major government corporations like Nigerian Telecommunications (NITEL), Power Holding Corporation of Nigeria (PHCN), Nigerian Railway Corporation, Nigerian Postal Services etc are evidences of the poor administration in Nigeria. Corruption and development cannot synergise together.

Macro-economic Policies: Macroeconomic policies adopted by these countries also contributed significantly to the miracle of the Asian Tigers. The creation of stable macroeconomic environments was part of the foundation upon which the Tigers' 'miracle' was built. Each of the four Asian tiger states managed, to various degrees their budget deficits, external debt, and exchange rates. Budget deficit implies a situation where government budgets more spending than the available revenue to cover the estimated expenditure for the fiscal period of a year. According to Cohen (2012) the four tigers' nation's budget deficits were maintained within their financial limits causing economic stability. Also, external debt was non-existent for Hong Kong, Singapore and Taiwan, because they did not engage in external borrowing. However, South Korea was an exception to this but the country was still able to sustain stability because of the country's high level of exports. There was also maintenance of a stable real exchange rates in the four Asian tiger nations, thus preventing volatile exchange rates.

Nigeria has suffered from debt crisis that caused the nation to hugely offset funds in debt repayment during the early period of this Fourth Republic. Today, in this post-creditor era, Nigeria is still borrowing and external debt is rising steadily again. The government must minimized borrowing and explore other means to generate revenue. Diversification of the economy, improving local industry performance and stirring export growth, and sincerity on the part of government is needed to enhance revenue generation to avert too much borrowing that only plunges a nation to debt crisis. The government must equally avoid budget deficits and spend within financial capacity and avoid sourcing for external funds. The government must establish a 'Financial Intelligence Policy' in other to avoid reckless spending and borrowing. External borrowing was not part of the Tigers' policies except South Korea but their GDP value was equally high because of export growth. Our export growth is still low, as we export basically oil. And that is not yet sufficient to yield high returns in foreign revenue to balance the ratio to debts, especially taking cognisance of fluctuating oil prices in the oil market.

Investment: Investment was equally key for all advancement of all the Tigers. While they limited their foreign spending, they invested majorly in their nations. Unfortunately in Nigeria, our so called leaders do not even invest at home. They purchase assets and properties in Europe, Dubai or in the United States. Capital flight must be stopped.

CONCLUSION

This study was a qualitative research to discuss the state-led development model of the Asian Tigers and the lessons for Nigeria. From the postulations above, one thing that is clear- that the state-led model of development was successfully employed in the “Asian Miracle” of the Tigers. These economies were not necessarily that free-market system that is devoid of state-control as always argued by some scholars of the liberal school. This model describes a strong central-state utilising a range of policy tools to aggressively pursue development even against the wishes of market actors. This sees development follow a clear progression through, light industry, heavy industries- chemical and textile industries, and then finally technological industry, with the export revenue of each stage being used to fund the next.

The success of this development model of the Asian Tigers can be attributed to the leadership of these states in their genuine pursuit of economic development. They effectively enacted long-term plans for generating revenue and reinvestment generated revenue, while adapting to the situation of the international economy. Interestingly, a state-led economy has every chance of failing if it is not sufficiently stable, flexible, motivated, appropriately pursued to achieve growth and development, as other cases suggest especially from the African experience with Nigeria inclusive. Nigeria since independence has tried several state-led development programs but most have failed to generate the desired growth and stability for the economy. The reason for this is partly due to the nation’s overdependence on oil revenues, which unfortunately have not been well invested over the years by her past leaders. At the same time, the nation’s human capital development is still in need of rapid improvement to meet the standards for a well-industrialized society. Lastly, the country does not seem anywhere near possessing a skilled-labour class that can have genuine mastery of technology, and export this technology. It is a country largely divided along ethnic and religious differences, and political leaders from the country are not too keen in helping regions that show traits of intelligibility and capacity for achievement due to the aforementioned differences.

The Asian Tigers provide us with interesting alternatives to developmental strategies. However, the ‘miracle’ growth of these economies was largely down to good governance. Each of the four ‘tigers’ has prioritized non-sentiments along religious or ethnic circles, strong regulation and anti-corruption measures, while conservative economic plans have allowed each country to avoid public debt and build up large reserves of capital and savings. This meant that when crisis hit, they were only affected on a superficial level, and recovered almost immediately. Interestingly, the Four Asian Tigers were so robust that they were able to weather the 1997 Asian Financial Crisis (as well as the 2008 Global Financial Crisis) relatively unscathed. Today, they regularly feature on the IMF’s list of the world’s most prosperous and stable economies, and each country has developed its own highly successful niche.

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