

# Economic of nigeria

Economics



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The economy of Nigeria is a middle income, a mixed economy emerging market with well-developed financial, legal, communications, transport, and entertainment sectors. It is ranked 31st in the world in terms of GDP (PPP) as of 2009, and its emergence, though currently, the underperforming manufacturing sector is the second-largest on the continent, producing a large proportion of goods and services for the West African region. Previously hindered by years of mismanagement, economic reforms of the past decade have put Nigeria back on track towards achieving its full economic potential. Nigerian GDP at purchasing power parity more than doubled from \$170. 7 billion in 2005 to \$374. 3 billion in 2010, although estimates of the size of the informal sector (which is not included in official figures) put the actual numbers closer to \$520 billion.

Correspondingly, the GDP per capita doubled from \$1200 per person in 2005 to an estimated \$2, 500 per person in 2009 (again, with the inclusion of the informal sector, it is estimated that GDP per capita hovers around \$3, 500 per person). It is the largest economy in the West Africa Region, 3rd largest economy in Africa (behind South Africa and Egypt), and on track to becoming one of the top 30 economies in the world in the early part of 2011. Although much has been made of its status as a major exporter of oil, Nigeria produces only about 3. 3% of the world's supply, and though it is ranked as 15th in production at 2. 2 million barrels per day (mbd), the top 3 producers Saudi Arabia, Russia, and the United States produce 10. 7mbpd (16. 8%), 9. 8mbpd (15. 4%), and 8. 5mbpd (13. 4%) respectively, collectively accounting for 63. 6mpd (45. 4%) of the world's total production. [2]

To put oil revenues in perspective: at an estimated export rate of 1.9mbd, with a projected sales price of \$65 per barrel in 2011, Nigeria's anticipated revenue from petroleum is about \$52.2 billion. This accounts for less than 14% of official GDP figures (and drops to 10% when the informal economy is included in these calculations). Therefore, though the petroleum sector is important, it remains in fact a small part of the country's overall vibrant and diversified economy.