International Journal of Trend in Scientific Research and Development (IJTSRD)
Volume 6 Issue 3, March-April 2022 Available Online: www.ijtsrd.com e-ISSN: 2456 – 6470

Impact of Economic Growth on Quality of Life in Nigeria

Anderson Pereowei Obalakumo, Laime Isaac Odogu

Department of Accountancy, Bayelsa State Polytechnic,
Aleibiri Ekeremor Local Government Area, Bayelsa State, Nigeria

ABSTRACT

The study is conducted to find out the impact of economic growth on quality of life in Nigeria. Quality of life is not a single concept rather a comprehensive concept that is multidimensional. The determinants of quality of life are determined but carrying out an extensive review of literature that serves as the ground work for the research and from where justifications for selection of independent and dependent variables can be provided. To achieve the objective, a deductive approach has been adopted and exploratory research has been carried out. The model employed in this case is the simple linear regression and not multiple regression because there are a number of dependent variables whereas the independent variable is only one and not the other way round. Regression has been performed three times using SPSS and three models of simple linear regression have been designed in which each dependent variable is regressed separately against the independent variable. The study concluded that two of the models are significant and only the one with poverty as dependent variable is insignificant. The study has presented conclusions in the light of the results produced and has given recommendations too.

KEYWORDS: *Educational services, Health services, Unemployment, Income Inequality, GDP*

How to cite this paper: Anderson Pereowei Obalakumo | Laime Isaac Odogu "Impact of Economic Growth on Quality of Life in Nigeria" Published in International Journal of Trend in Scientific Research and Development (ijtsrd), ISSN: 2456-6470, Volume-6 | Issue-3, April 2022, pp.2021-2032, URL: www.ijtsrd.com/papers/ijtsrd49828.pdf

IJTSRD49828

INTRODUCTION

Ever since the beginning of the social indicator movement in 1960, as a scientific enterprise, the research on quality of life has made remarkable progress (Land, 2013). Researchers belonging to diversified scientific disciplines are now working to study, evaluate and describe human conditions in various parts of the world. Due to the progress made in the field of quality-of-life research, the researcher of today is well equipped with theory as well as practical evidences on the subject, yet they are faced with numerous challenges of arriving a generally acceptable definition despite technological advancement. An example of one of those challenges is the definition of quality of life, itself. The mere idea of good life that has captivated the Greek scholars, is uninterrupted and the well-known versions of good life have altered over time. The velocity at which a shift is being brought about in the societies around the world is completely breaths taking (Land, Michalos, &Sirgy, 2011). Therefore, there exists a possibility that the picture that researchers might have conceived about the concept of quality of life has transformed dramatically over a period of more than 70 years, ever since the beginning of the social indicator movement.

Quality of life bespeaks both evaluation as well as description (Michalos, 2016). The scholars of quality of life prescribe and formulate indicators that provide measure of what is commonly known to represent adequate standard of living and quality of life and later on evaluate if the reality is in agreement with the referenced standard. Beredugo and Mefor (2012) added that quality of life is about the expectation of society. ‘Unrestrained economic development evident from social ills that triggered society’s negative attitude towards industrialisation’ and therefore seen to reduce quality of life and increase social costs. The increasingly changing life styles have added to the complexity of styles of living thus posing a challenge to compile and develop social reports that may cover the complete range of life domains in a comprehensive way (Brereton, Bullock, Clinch, & Scott, 2011). The same is true for the evaluation of various dimension of quality of life. It is the opinion of many of the contemporary researchers who work on the subject that the needs and wants of citizens or general public should be taken into account and be preferred to the opinion of experts on their notion of good or bad life and its quality (Møller&Huschka, 2019). Despite having difficulty defining the concept of quality of life, there is ample literature available in connection to economic development with poverty, improved health systems, upgraded household incomes, and better education along with its provision all of which are indicators of good life or improved quality of life (Testa, & Simonson, 2016). Therefore, it may be inferred that economic development impacts quality of life.

Nigeria has made some progress in its economy in recent years, its human capital development is ranked between 150-157 countries in the world bank's 2020 human capital index. Nigeria as a country has continued to face massive developmental challenges on how to diversify its economy from over dependent on oil into agriculture, technology, infrastructure and effective institutions in addressing issues of governance and public financial management system. One of the challenges bedeviling economic growth and the quality of life in Nigeria is Inequality in terms of income distribution, which remains very high and has continued to affect poverty reduction, lack of job opportunities and ultimately corruption among public office holders, which is at a high level. This has resulted in high inflation rate which has taken a toll on households; high prices of goods and services have led to push an additional 7 million Nigerians into poverty, in line with the World bank (2020) estimates. Nigeria enjoys huge revenue from the oil sector being the largest producer of oil in African and being among the top 10 producers of oil in the world (UNDP, 2019).

STATEMENT OF PROBLEM

As per the estimate of World Bank less than 1% population of Nigerians benefit from 80% of the revenue from oil (Library of Congress, 2018). Such statistics are really shocking as well as disheartening and point out towards the problem of corruption in Nigeria. Another major challenge associated with economic growth and quality of life in Nigeria is the civil unrest that has ravaged the economy in recent years, as a result of the activities of Boko Haram, as wellas banditry and kidnapping which have all contributed their fair share. Owing to this issue of civil unrest, the Nigeria educational system is in serious damage as the number of out of school children has increased by 13.2 million, making it the largest in the world (UNDP 2019).One of the challenges bedeviling economic growth and the quality of life in Nigeria is Inequality in terms of income distribution, which remains very high and has continued to affect poverty reduction, lack of job opportunities and ultimately corruption among public office holders, which is at a high level. This has resulted in high inflation rate which has taken a toll on households; high prices of goods and services have led to push an additional 7 million Nigerians into poverty, in line with the World bank (2020) estimates. It is against this background the study examines the impact of economic growth on quality of life in Nigeria, and to achieve this overall objective, the following specific research questions were answered:

1. What is the impact of GDP on quality of Health services in Nigeria?
2. What is the effect of GDP on the quality of Education in Nigeria?
3. What is the impact of GDP on Unemployment in Nigeria?
4. What is the effect of GDP on Income inequality in Nigeria?

Review of Related Literature Theoretical Framework

Economic History of Nigeria

Nigeria being a very large country is the 8^{th} largest country in the world, population wise and 32^{nd} largest according to area (Orenstein, 2017). The gross domestic product (GDP) per person in Nigeria was $ 2000 in 2008. Even after such a figure of GDP which is above average per capita GDP for an African nation; developing one, majority of the Nigerian population is living below the poverty line and suffer from excessive poverty. The rank that Nigeria holds on the human poverty index of United Nations is 158^{th}(UNDP, 2019).

The economic development of Nigeria had been poor particularly if the enormous revenues generated from oil are to be considered. Nigeria enjoys huge revenues from their oil sector being the largest producer of oil in Africa and being among top 10 producers of oil in the world (Ranjan& Sharma, 2008), but most of its revenues have been served to the ruling elites to fill their treasure chests rather than being used to fuel the development of people and their quality of lives. As per the estimates of World Bank less than 1% people of Nigeria benefit from 80% of the revenues from oil (Library of Congress, 2018). Such statistics are equally shocking as well as disheartening and point out towards the problem of corruption in Nigeria. This contradict the Keynesian theory upon which this study is under pinned which states that active government policy is expected to manage aggregate demand in order to address or prevent economic recessions which in our case is tantamount to health challenges, economic woes and very large income inequality between the rich and the poor in Nigeria.

The government expenditure in Nigeria has shown a continuously rising trend due to excessive receipts from production and selling of crude oil along with the rising demand for public goods (utilities) like communication, education, power, health and roads. Other than that, the need to provide both external and internal security for the nation is constantly rising. Statistics show that the overall capital and recurrent expenditure of government as well as its components have showed a constant rising trend for the past three decades which unfortunately has not been able to translate into meaningful development and growth as Nigeria continues to be counted among the poorest countries of the world (Olugbenga&Owoye, 2017). He further states that many people in Nigeria are still living below the poverty line (Cooray, 2019).

Indicators of Quality of Life

Among a number of definitions of social indicators, two of them are worth mentioning and are particularly significant. The first one originates from the Australian Bureau of Statistics stating that the measures of social well-being that administer a view of society in a contemporary manner while facilitating to monitor the prevailing trends in the range of disciplines of social concern over a period of time, are called social indicators (McEwin, 2015). The other one appears in a document of United Nations and defines social indicators to be statistics that reflect upon critically important social circumstances in a meaningful way and aid in the process of examining their conditions while allowing them to evolve in a positive direction. According to United Nations (1994) social indicators account for the identification of social problems that need to be addresses, development of goals and setting of priorities for spending and action, also for the assessment of effectiveness and functionality of policies and programs.

Quality of life is also related to the sustainability in a community. It refers to whether or not economic, social and environmental systems facilitate continued growth. However, the development of sustainability dwells on meeting the needs of the present without compromising the ability of future generations to meet their own needs (Ekpo, Okon&Beredugo, 2019). Corroboratively, Quality of life is highly relative and differs among clans and jurisdictions. However, in relation to the Nigerian societal peculiarity, the following represents attributes of quality of life in the Nigerian context to include: qualities of education, Health, employment and income equality.

Impact of Economic Development on Health

One of the primary needs of human beings is good health care. Bakare, and Olubokun, (2011) have concluded that generally health of people improves when economic growth takes place while infant mortality rate lowers and life expectancy increases. Fahey, Russell, and Whelan. (2018) state that people do not necessarily feel healthy if life expectancy is increased. Improvements in terminologies of science and medical attribute to better treatment and management of ailments like diabetes, but a person who has a chronic condition may not label himself as healthy even in periods of economic growth and proper provision of health and medical facilities. Taking into account the afore mentioned fact it could be said that the relationship between economic growth and healthy being of people is rather a complex one and it is much more than just factors of economic growth affecting the health of people.

WHO (2016) stats reveal that about 50% of the differential of economic growth between the developing and developed nations can be attributed to poor health and little life expectancy. In developed countries a greater portion of their GDP is spent on health care for they believe that the health of the residents would eventually be a major driver for development and economic activities. Studies have been conducted by a lot of researchers along with a lot of others, there have been frantic efforts by the governments in Nigeria also to increase the expenditure on public health. The above-mentioned scenario makes it evident that the expenditure on health care by the government in Nigeria had continuously been increasing. Claims by Abu (2015) the following facts should be considered. The infant mortality rate of Nigeria is one of the highest in the world (91/1000 live births). Secondly the rate of mortality for children below the age of five is 192 deaths/1000. Furthermore, the coverage of immunization has fallen below 30%. The figures from the year 2017 state that around 134,000 (which is a huge figure) women lost their lives to pregnancy complications. Not only that, but also the expectancy ratio has been observed to be declining over the years (WHO, 2016). A point to be noted here is that in spite of all the economic development and increase in public expenditure on health, the health conditions of people stay poor and the contribution of all the economic growth seems to be marginally low.

Impact of Economic Growth on Education

Various studies have been carried out to study the relationship between economic growth and education. Many of them had been cross country analysis. The methods adopted in the work already done are three stages least squares (Barro 2019). Ordinary least squares (Geol, 2014; Barro, 2019, Barro and Lee 2017), granger causality (Self & Grabowski, 2016) and co-integration (Babatunde&Adefabi, 2015). These studies have produced mixed results but the nature of relationship determined by all of them had been positive (the relation between economic growth and education). Earlier studies however (Lucas 2018) had made analysis of importance of human capital development and education in the process of growth. Barro (2019) was the first one to shed light on the link between economic growth and educational expenditures. He found out that the relationship between per capita output and human capital was positive and that it leads to increased enrolment in schools. He recommended that the gap between developing and developed countries could be closed if countries started investing more in human capital development.

Ramirez, Ranis and Stewart, (2017) made use of cross-country data to investigate the channels through which economic growth effects human capital development and vice versa. The basic argument presented in this study was that educational development is not directly related to economic development rather there's a channel in between which is the human capital development. And human capital development may cause economic growth or it could be the other way round too. Loening (2015) analyzed the relationship between economic growth and human capital development employing data from Guatemala and concluded that an educated work force impacts growth output positively. Dorian (2017) using a neoclassical framework approximated a structural growth model in which he used two explanatory variables; health and education. Positive relationship between health and economic growth was found whereas there was no evidence of a significant relationship between economic growth and education.

Babatunde and Adefabi (2015) carried out an in-depth analysis about the relationship between economic growth and education in the long run in Nigeria and the approach employed was the Johansen co-integration framework of analysis. The co integrating technique predicted a long-run relationship between output per worker and school enrolments in all years of education (primary as well as tertiary). The conclusions presented by the study stated that growth is affected positively through evolution of total factor productivity as well as factor accumulation if the labour force is well educated. Aighokhan et al (2015) examined the impact of expenditures (education) on human capital development. Historical data was used in the study to formulate correlation between human capital and education expenditure in Nigeria and acclaimed that uncertain and insufficient allocations of budget resulted in destruction of its effect on human capital development. Low percentages of annual budgets were allocated to be spent on education and they were unstable also. Ordinary least squares method had been used by Omotor (2019) to analyze the determinants of federal government expenditures in the field of education in Nigeria. Instability in government expenditure was predicted through that study because the study revealed inconsistency in expenditure of government in the education sector in Nigeria. The only significant determinant of education expenditures was found to be government revenue.

There had been two phases of development in the education sector of Nigeria. In the first phase the sector experienced rapid growth. That phase was broadly located between the period of 1950 – 1980. In the second phase (1981-2018) the phase underwent a rapid decline in terms of growth. Also the government of Nigeria declared the educational system of the country to be disfunctional which was attributed to ill-prepared graduates as well as decaying institutions (Library of Congress, 2018). More often in Nigeria, the lower classes which constitute a huge part of the rural class are deprived of educational benefits that one should be able to receive as a result of economic development, reason being the national income being concentrated in a few hands; hands of the ruling class, the elites (Ranjan& Sharma, 2018).

Impact of Economic Growth on Employment

Growth across all disciplines of economy of Nigeria has taken place and has accelerated at about 7% and with that growth, Nigeria has enjoyed an extended period of uninterrupted extension of the non-oil economy. In 2003, the rate of growth had climbed to 8%-9% in spite of the financial crisis Nigeria was going through at that time. This rate is approximately the double of what the rate was post 1999. Even during the global financial crisis of 2009, the growth percentage of Nigeria had maintained its level above 4.5%. According to Ajakaiye and Fakiyesi (2019) such a rate of development is attributed to the rapid growth that has taken place in the non-oil export. In contrast, the oil sector had shown growth in the negative direction over past few years and the decline had occurred due to the prevailing conditions of unrest in the Niger Delta. However, World Bank (2019) carried out a study to investigate the impact of economic growth on employment generation in Nigeria and uncovered the fact that economic development that has been taking place in Nigeria did not contribute significantly to employment generation, especially employment that could be termed as decent. If individual sectors are to be taken into account, then it is notable that a shift of employment has occurred into family agriculture and growth in employment in agricultural sector is persistent with the lack or total absence of production yield in agriculture sector.

Some other facts were investigated by World Bank (2019) which stressed that the reason for strong agriculture performance is mainly the increased prices of agricultural commodities. The rise in prices is attributed to three factors: increase in prices at international level, growing demand from the urban middle class and the result of confining trade policies. The changes do not permit the direct generation of employment. Increased prices of agricultural commodities account for the rise in income in family agriculture and in agreement with the prominent reduction in extremely rural poverty, thus supporting notion of decent employment in rural areas. Thus, the changes do not allow for employment generation directly. It is however discovered that these change in relative prices in favour of agricultural commodities explained the increase in incomes in family agriculture, and is consistent with the marked decline of extremely rural poverty, supporting decent work in the rural area. It was also observed by World bank (2019) that there was a loss of many jobs in the public sector of the country and the developments in agricultural sector of the country could not cover up for the harm caused to the economy's public sector and government agencies by the loss of wage job where massive downturn had taken place further causing and accelerating deterioration of wage employment. It was there by concluded that Nigeria had not been able to respond properly to its yearning population despite all the economic growth that had taken place in the country. Continuous unemployment, rising income inequality and poverty further aggravated by economic and financial crisis and change in climate are crucial constraints to progress; both social as well as economic.

Unemployment and Employment Rate Explained Through Labour Market

The characteristics of labour market of Nigeria are those of the rest of Africa are the same (Sodipe, &Ogunrinola, 2011). Various segments of labour markets have been identified by Ncube (2018) in Africa and all those segments exhibit similarity with the Nigerian market. He further observed that there are three segments of the Nigerian market: formal-informal, rural-urban and private-public (Olapade and Olapade, 2018). Furthermore, the rural labour markets are dictated by self-employed and agricultural workers most of whom are essentially women. The pre-eminence of employment in the agricultural sector thus belittles majority of the labour force especially women to take up jobs that don't pay well or may be classified as poor-quality jobs. Such jobs are typically characterized by lack of pension, irregular hours of work, absence of other perks, incentives and social benefits, excess of casual and contract labour as well as job insecurity. Another trait of jobs in the rural market is child labour which is prevalent in the agricultural sector. Children engaged in child labour are often deprived of their childhood development as well as education. The vulnerability of these young workers to poverty worsens the trend as the cycle becomes vicious.

The urban labour market which is the second segment is largely dominated by the industrial sector. In comparison with the rural labour market, the urban labour market is characterized by decent jobs in its industrial sector. The last sector is the formal segment which consists of civil services. Bulk of wage employment is generated through this sector. Other notable segments are the informal and formal segments making distinctions between which is not quite easy all the time. There are regulations in the formal sector and it devoted mainly to the government treasury. Ncube (2018) has given a definition of the informal labour market which states that the market that revolves around an unregulated sector, consisting of unregulated enterprises or the ones that are not committed to government coffers. According to Ilo (2019) informal economy may be defined as the one al the activities of whose workers as well as economic units are in practice or in law, partially, insufficiently or not covered by arrangements that are formal, in short, informal economies are not standardized or do not follow standardized procedures. As far as laws are concerned, those economies even if they do follow standardized procedures and are well in reach of law, the law doesn't apply on them and cannot be enforced on them. Bakare and Olubokun, (2011) used the term market-based production of goods and services for such an operation of the economy because irrespective of being legal or illegal, the revenues from these economies escape the official platforms of estimating GDPs.

Funlayo (2013) added that the economy of Nigeria does not create room to favouremployment. Although, the economic growth of Nigeria seems to be stable and persistent, yet it did not lead to increased employment. However, the relationship between economic growth and employment is positive, but it is predicted to be insignificant. The reason behind no significance of relationship between the two variables is that the growth is not taking place in a contemporary sector or the one that provides decent employment and attracts skilled labour, rather it Is taking place in a traditional sector which do not present anything thing of interest to the skilled work force.

Impact of Economic Growth on Income Inequality
Income inequality is a line between poor and rich. The placement of the middle-income group is somewhere between both of the aforementioned groups. In Aigbokhans's (2018) opinion, the decline in poverty (if any) resulted by economic growth would be of much greater magnitude if reduction in inequality takes place or is achieved simultaneously. Galor (2020) is of the opinion that their income inequality may subsequently rise after getting declined under certain conditions. This may occur above same threshold of income. Galor and Tsiddon (2016) are of the opinion that inequality is the essential of growth at early stages but it eventually subsides when the prosperity sets in and benefits start pouring in. Galor (2020) examined that their inequality may be directly proportional to economic growth when development is achieved through accumulation of physical capital, whereas the change in approach of development alters the scenario by 180 degrees. It implies that inequality is reduced when the prime engine of growth is human capital accumulation rather than the former.

Social inequality results from a society organized by hierarchies of class, race, and gender that unequally distributes access to resources and rights(Ashley, 2020). It can manifest in a variety of ways, like income and wealth inequality, unequal access to education and cultural resources, and differential treatment by the police and judicial system, among others. Social inequality goes hand in hand with social stratification. Economic growth is expected to contribute significantly to the wellbeing of both the haves and the have not in a given society.

Empirical Review
Idowu(2019) in his paper examines the impacts of health on Economic growth in Nigeria. The Cointegration, and Granger Causality techniques were used in analysing Quarterly time series data of Nigeria for the period of 1995-2009. The study finds that GDP is positively influenced by health indicators in the long run and health indicators cause the per capita GDP. It reveals that health indicators have a long run impact on economic growth.

Kemiand Dayo(2019) in their article titled Unemployment and Economic Growth in Nigeria. They stated that, the rate of unemployment has risen in the last decade in most of the sub-Saharan African countries. Error Correction Model (ECM) and Johasencointegration test were employed to determine both the short run and long run relationships among the variables employed in the study. Empirical findings show that there is both the short and the long run relationship between unemployment rate and output growth in Nigeria.

Orji, Ogueze, and Orji, (2019) stated that, majority of the works done on the relationship between unemployment and output growth focused on the development economies relativity, few have focused on unemployment and output growth in developing countries. To effectively achieve these objectives, the ordinary least square technique was employed. The sample size used in this regression analysis is 40 observations. The technique of data collection was purely secondary from the Central Bank of Nigeria, 2012 version. The result of the analysis showed that unemployment has a negative relationship with the real gross domestic product in Nigeria.

Nwankwo and Ifejiofor(2020) in a study titled impact of Unemployment on Nigerian Economic Development: A Study of Selected Local Government Area in Anambra State, Nigeria. Descriptive research design was adopted. The population includes all the unemployed youth from the three selected Local Government Council (Oyi, Idemili North and South) which its figure is estimated to be about 2.3 million youth (NPC, 2006). 30 youths were drawn from each of the Local Government Council. Convenience sampling technique was applied. Both primary and secondary data source was used. Pearson correlation test was used for the test of hypotheses. The results of the test hypotheses revealed that unemployment impedes the economic growth and development of Nigeria. Government programmes have in many ways helped in tackling the problems of unemployment in Nigeria. There are possible ways that could be put forward in ensuring the reduction of unemployment level in Nigeria.

Keghter, Eze and Ogbonna(2020) state that, Institutional quality is considered to be a determining factor in enhancing the growth of any economy. This paper examines the role of institutional quality in growth enhancement and the precise role it plays through the channel of health expenditure. The ARDL model was employed between the period of 1984 and 2019 to ascertain the link between the variables in question. The paper provides evidence that the long-run effects of health expenditure and institutional quality on economic growth are both surprisingly negative, but with only institutional quality having a statistically significant relationship. Further findings reveal that the institutional quality moderates the effect of health expenditure on growth. Specifically, when institutional quality is maintained at a threshold of 0.52 level, growth will be at least positive. This means that, with institutional quality at less than the threshold level, the economic growth will become negative. However, with the right policies in place as recommended, there could be a turn in events.

Onwuka (2021) empirically examined the relationship between poverty, income inequality and economic growth in Nigeria. The study used time series data from National Bureau of Statistics (NBS) and Central Bank of Nigeria (CBN) Statistical Bulletin between the periods from 1981 to 2019. The study employed the use of Augmented Dickey Fuller test, Co integration test and Error Correction technique. From the study, the findings revealed that income inequality has a negative relationship with economic growth in the country while poverty was found to be positively related to economic growth. Similarly, the findings also revealed that poverty and income inequality has an insignificant effect on economic growth in Nigeria. Based on the findings, it can be concluded that poverty and income inequality has no significant relationship with economic growth in Nigeria.

Another study by Onwuka (2021) titled the relationship between poverty, income inequality and economic growth in Nigeria. The study used time series data from National Bureau of Statistics (NBS) and Central Bank of Nigeria (CBN) Statistical Bulletin between the periods from 1981 to 2019. The study employed the use of Augmented Dickey Fuller test, Co integration test and Error Correction technique. The unit root test results indicated that all the variables were stationary at first difference and co-integration test confirmed a long run relationship among the variables. The findings revealed that income inequality has a negative relationship with economic growth in the country while poverty was found to be positively related to economic growth. Similarly, the findings also revealed that poverty and income inequality has an insignificant effect on economic growth in Nigeria. Based on the findings, it can be concluded that poverty and income inequality has not significant relationship with economic growth in Nigeria. Thus, the study concludes that there is need for government of the country to come up with an all-inclusive policy and programme that will be targeted to the poor and give them ample opportunities to improve.

Methodology

The data is collected for the selected variables for the period of 2011 to 2020 that covers the time span of ten years. The secondary sources of data collection were employed. The resources used in the study include journals, internet, websites of trading economics, World Bank data on world economic indicators, National Bureau of Statistics, Nigeria. GDP as the dependent variable of the study. Measures for quality of life in Nigeria consist of quality of health services, quality of education, unemployment rate and income inequality as the independent variables of the study, collected from the websites of World Bank and Trading Economics. The study uses descriptive statistics for analysing the basic characteristics of Nigerian economy and life quality. The study presents the values of mean, median and standard deviations by using SPSS. The linear relationship among the variables is analyzed by using correlation analysis. The correlation analysis will help determine the significance of relationship among the variables selected for the study. Regression analysis is used for the empirical examination of impact of GDP on the quality of life.

Research Hypotheses

The following hypotheses are created to help us text the data in this research work

Ho_1: There is no significant relationship between GDP and the quality of Health services in Nigeria.

Ho_2: There is no significant relationship between GDP and the quality of Education in Nigeria.

Ho_3: There is no significant relationship between GDP and Unemployment in Nigeria.

Ho_4: There is no significant relationship between GDP and Income inequality in Nigeria.

Model Specification

The study proposes the following regression model for testing the hypotheses

Quality of Health Services = f (GDP) (1)

Quality of Education = f (GDP) (2)

Unemployment = f (GDP) (3)

Inequality = f (GDP) (4)

The above-mentioned functional equations can be expressed in general terms. The general expressions of the above equations are stated as follows.

Quality of health service= $C+\beta_1 GDP + \varepsilon$

Quality of Education= $C+\beta_2 GDP + \varepsilon$

Unemployment = $C+\beta_3 GDP + \varepsilon$

Income inequality = $C+\beta_4 GDP + \varepsilon$

Where: GDP is dependent variable in all the models; C is the intercept; ε is error term and

β_1(coefficient of GDP with Quality of health services); β_2(coefficient of GDP with variable Quality of Education); β_3(coefficient of GDP with variable unemployment); and β_4(coefficient of GDP with variable inequality) included in the model. Nevertheless, the model was tested using the diagnostic tests of heteroskedasticity, serial correlation, normality, and misspecification (Gujarati and Porter, 2019; Asterious and Hall, 2017). For the stationarity of data, Augmented Dickey-Fuller was used in the study.

Results and Discussions

Correlation Analysis

The results of correlation of quality of life, proxy quality of health services, quality of education, unemployment rate that are dependent variables of the study and independent variable as GDP are calculated in SPSS by using pair wise Pearson correlation analysis. These results are tabulated in Table 1 as a symmetrical matrix showing the relationship among the variables selected for the study.

Table 1: Correlation Analysis

		QHS	QOE	IEQ	UER	GDP
QHS	Pearson Correlation	1	.673*	.085	-.134	.810**
	Sig. (2-tailed)		.023	.805	.695	.002
	N	11	11	11	11	11
QOE	Pearson Correlation	.673*	1	-.126	-.014	.828**
	Sig. (2-tailed)	.023		.711	.969	.002
	N	11	11	11	11	11
IEQ	Pearson Correlation	.085	-.126	1	-.194	-.023
	Sig. (2-tailed)	.805	.711		.568	.946
	N	11	11	11	11	11
UER	Pearson Correlation	-.134	-.014	-.194	1	.054
	Sig. (2-tailed)	.695	.969	.568		.875
	N	11	11	11	11	11
GDP	Pearson Correlation	.810**	.828**	-.023	.054	1
	Sig. (2-tailed)	.002	.002	.946	.875	
	N	11	11	11	11	11
*. Correlation is significant at the 0.05 level (2-tailed).						
**. Correlation is significant at the 0.01 level (2-tailed).						

The results of Pearson pair wise correlation calculated for GDP in Nigeria shows that gross domestic product of Nigerian economy holds a significant and positive relationship with the variables of quality of life. The positive value of 0.810 shows that the GDP is strongly and positively correlated with the quality of health services in economy. This relationship is significant at 0.05 level of significance. Increase in growth of economy is associated with an increase in quality of health services of individuals residing in the Nigerian Economy. The value of .673 with the significance level of 0.05 also shows a strong and positive correlation among the GDP and quality of education. The values shows that growth in an economy leads to increase in quality of educational conditions of Nigerian populace. However, a negative value of.085 and- 0.134between unemployment and inequality, with GDP shows an insignificant and weak relationship among these three variables. The growth in the economy of Nigeria is found to have no association with the unemployment and inequality in Nigeria

Regression Analysis

The simple linear regression analysis was done for the models explained above of the current study. As discussed earlier, the gross domestic product calculated in terms of US $ billion is used in the regression model as an independent variable. The set of dependent variables include Quality of health services, Quality of education, unemployment rate and income inequality in US $,as proxy of Quality of Life at the time expressed in percentages. Simple linear regression analysis was employed for testing the hypothesis proposed for the study. The data collected from the World data Bank and trading economics for the year 2011 to 2020 was used in estimating the role of economic growth on the quality of life in Nigeria.

The following tables below presents the SPSS generated values of the estimated coefficients modeling the relationships among qualities of Health Service, Education, unemployment, income inequality and GDP. For the test of hypothesis one table 2 was used to reveal the impact of GDP on the quality of health services in Nigeria.

Hypothesis One

Table 2: Modeling the relationship betweenQuality of Health Service and GDP

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-9000138.289	12307950.871		-.731	.483
	GDP	.056	.008	.920	7.026	.000
a. Dependent Variable: HEALTH						

The above result on the impact of GDP on health services in Nigeria reveals that our t-statistics ($t_{stat} = 7.027$, p=0.000) with accompanying significant value of 0.000 was less than the 0.05 level of significance. This indicates that GDP significantly affect the health services in Nigeria.

Hypothesis two

The resultant effect of the test of hypothesis is as contained in table 3 below:

Table 3: Modeling the relationship betweenQuality of Education Service and GDP

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	332281760.491	323910817.159		1.026	.332
	GDP	.923	.209	.828	4.423	.002
a. Dependent Variable: EDUCA						

The above result shows the impact of GDP on educational services in Nigeria and it reveals that our t-statistics ($t_{stat} = 4.423$, p=0.000) with accompanying significant value of 0.000 indicates that GDP significantly affect the educational services in Nigeria.

Hypothesis three

This hypothesis tested the impact of GDP on Unemployment

Table 4: Modeling the relationship betweenunemployment and GDP

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	346355.084	412052.999		.841	.422
	GDP	4.290E-5	.000	.054	.162	.875
a. Dependent Variable: UER						

This table reveals that that our t-statistics ($t_{stat} = 0.162$, p=0.875) with accompanying p- value of 0.875 which is less than 0.005 portrays the insignificant effect GDP has on unemployment in Nigeria.

Hypothesis four

This test was conducted to model the impact of GDP on income inequality and is as contained in table 4.5:

Table 5: Modeling the relationship betweenincome inequality and GDP

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	258045897.520	150025766.731		1.720	.120
	GDP	-.007	.097	-.023	-.070	.946
a. Dependent Variable: IEQ						

This table reveals that that our t-statistics ($t_{stat} = -0.070$, p=0.946) with accompanying p- value of 0.946 which is less than 0.005 also portrays that GDP does not any significantly impact on unemployment in Nigeria.

Conclusion and Recommendation

The results of the correlation analysis show a strong, significant and positive relationship between GDP, quality of health services and quality of education. However, there is a weak and insignificant relationship of between unemployment rate, income inequality and GDP. For analyzing the impact of economic growth in life quality, simple linear regression models were introduced. The models include quality of health services and GD model, quality of education and GDP model, unemployment and GDP model and income inequality and GDP model. The results of the first two variable of quality of life and GDP rejects the hypotheses proposed for the study as the models confirms a significant and positive association between GDP and the variables of the quality of life in Nigeria. However, the findings of the last two variables of the quality of life and

GDP model record an insignificant association between the two variables. It follows therefore that the growth in Nigeria is not beneficial in transforming the benefits of growth in reducing the unemployment and inequality in Nigeria.

In the light of the findings, it is recommended that Nigerian government must revise polices of health and on mechanism of distribution of wealth. It is need of the time to create more job opportunities in an economy for having stability in economic growth and a rise in the living standard of Nigerian people. The study on the basis of its findings also seeks to make some recommendations to the Nigerian government as well. For ensuring the contribution of people in economic growth, the revision and redesign of health policies is recommended. The Government of Nigeria must focus on raising the income level by creating jobs for its people and increasing its productivity through effective utilization of human skills. The measures of accountability are required to be implemented for reducing the corruption level and poverty in Nigeria.

References

[1] Abu, N. (2015). Government expenditure and economic growth in Nigeria, 1970-2008: A disaggregated analysis.

[2] Aigbokhan, B.E. (2018) Growth, Inequality and Poverty in Nigeria UNECA ACGS/ MPAMS Discussion paper No 3. Addis Ababa At: http;//uneca.org/acgd/mdgs/GrowthInequalityPoverty.pdf

[3] Ajakaiye, D. O., &Fakiyesi, T. (2019).The Global Financial Crisis and the Nigerian Economy. Research Report Submitted to Overseas Development Institute, UK. Presented at the Department of Economics, University of Lagos.

[4] Babatunde, M.A &Adefabi, R.A., (2015). Long-Run relationship between Education and Economic growth in Nigeria: Evidence from Johannes's cointegration Approach. Paper presented at the Regional conference on education in West Africa: constraints and opportunities. Dakar Senegal Nov. 1st – 2nd 2006.

[5] Bakare, A. S., &Olubokun, S. (2011). Health care expenditure and economic growth in Nigeria: an empirical study. Journal of Emerging Trends in Economics and Management Sciences, 2(2), 83-87.

[6] Barro, R.J. & Lee Jong – Wha (2019). "International Comparisons of Educational Attainment". Journal of Monetary Economics, 32 (3), 263 – 394.

[7] Barro, R.J. (2019). Human Capital and Economic Growth. American Economic Review. 9(2), 12-17.

[8] Beredugo, S. B. &Mefor, P. (2012).The Impact of Environmental Accounting and Reporting on Sustainable Development in Nigeria. *Research Journal of Finance and Accounting*. 3(7), 55-63.

[9] Brereton, F., Bullock, C., Clinch, J. P., & Scott, M. (2011). Rural change and individual well-being the case of Ireland and rural quality of life. European Urban and Regional Studies, 18(2), 203-227.

[10] Cooray, A. (2019). Government Expenditure, Governance and Economic Growth. Comparative Economic Studies, 51(3): 401-418.

[11] Dorian, S.K. (2017). Education and Health in an Effective – Labour Empirical Growth Model. The Economic Record, 73 (1), 314 – 328

[12] Ekpo, B., Okon, E. E. &Beredugo, S. B. (2019).Addressing Sustainability Exposures through Corporate Social Responsibility in Nigeria: An International Perspective. *International Journal of Trend in Scientific Research and Development.*3 (5), 1177-1186.

[13] Fahey, T., Russell, H., & Whelan, C. T. (Eds.). (2018). Quality of life in Ireland: Social impact of economic boom (Vol. 32). Springer Science & Business Media.

[14] Funlayo, O. E. (2013). The Impact of Economic Growth on Employment in Nigeria. International Business and Management, 6(1), 113-119.

[15] Galor, O.D. &Isiddon, D. (2016)"Income Distribution and Growth"; the Kuznets Hypothesis Revisted" Economica 63(250), Supplement, 103-117.

[16] Galor, O. (2020): "Income Distribution and the process of Development" European Economic Review, 44(4-6) May, pp. 706-712.

[17] Geol, S.C. (2014).Education and Economic Growth in India. Comparative Education, 10 (2), 147 – 158.

[18] Idowu O, (2019). The Impact of Health on Economic Growth in Nigeria International

Journal of Innovation and Sustainable Development 5(19):159 - 166

[19] Ilo (2019).Decent Work and Protection for all in Africa. Report of the Director-General, 90th African Regional Meeting, December. ILO, Geneva

[20] Keghter, K.,Eze, A.&Ogbonna O, (2020) Health Expenditure and Economic Growth Nexus In Nigeria: Does Institutional Quality Matter? Journal of Economics and Allied Research 4(4)2536-7447

[21] Kemi F. A,&Dayo B. O. (2019) Unemployment and Economic Growth in Nigeria. International Journal of African and Asian Studies www.iiste.org ISSN 2409-6938 An International Peer-reviewed Journal Vol.11

[22] Land, K. (2016). Social indicators and the quality-of-life: Where do we stand in the mid-1990s? Social Indicators Network News (Sinet) 45: 5–8.

[23] Land, K. C., Michalos, A. C., &Sirgy, M. J. (Eds.) (2011). Handbook of social indicators and quality of life research. Springer Science & Business Media.

[24] Loening, J.L. (2015). Effects of Primary, Secondary and Tertiary Education: Evidence from Guatemala Policy Research Working Paper (3610).

[25] Library of Congress.(2018). www.lcweb2.loc.gov.County profile: Nigeria. Retrieved from http://lcweb2.loc.gov/frd/cs/profiles/Nigeria.pdf

[26] Lucas, R.E. (2018). On the Mechanics of Economic Development". Journal of Monetary Economics. Vol.22: pp.3 – 42

[27] Michalos, A.C. (2016). Conceptual and philosophical foundations. In: Sirgy, M.J., Michalos, A.C., Ferriss, A.L., Easterlin, R.A., Patrick, D., and Pavot, W. The quality-of-life (QOL) research movement: Past, present, and future. Social Indicators Research 76: 343–466.

[28] Møller, V., &Huschka, D. (2019). Quality of life and the millennium challenge. Social indicators research series). Dordrecht/London: Springer.

[29] Ncube, M. (2018).The Labour Market and Decent Work Agenda in Southern Africa. Evidence and Challenges. ILO Sub Regional Office for Southern Africa, Harare: ILO. (Issue paper No. 31)

[30] Nwankwo, C. A, &Ifejiofor, A. P (2020) Impact of Unemployment on Nigerian Economic Development: A Study of Selected Local Government Area in Anambra State, European Journal of Business and Management www.iiste.org ISSN 2222-1905 (Paper) ISSN 2222-2839 (Online) Vol.6, No.35.

[31] Olapade, B. C., &Olapade, D. O. (2018). The Impact of Government Expenditure on Economic Growth and Development in Developing Countries: Nigeria as a Case Study. Retrieved from www.ecomond.org/files/

[32] Orji Uka O.T, Ogueze, V. C & Orji U. O (2019) The Cost of Unemployment and its Effects on Gdp Growth in Nigeria .World Applied Sciences Journal 33 (1): 86-95, ISSN 1818-4952

[33] Olugbenga A. O. &Owoye O, (2017). Public Expenditure and Economic Growth: New Evidence from OECD Countries.

[34] Omotor, D. G. (2019). "An Analysis of Federal Government Expenditure in the Education Sector of Nigeria: Implications for National Development. Journal of Social Sciences.Vol.9(2): pp.105-110

[35] Onwuka C E (2021) Poverty, Income Inequality and Economic Growth in Nigeria (1981-2019). DOI:10.21203/rs.3.rs-965034/v1

[36] Orenstein, M. A. (2017). Nigeria Cmparative National Systems. Retrieved from http://www.mitchellorenstein.com/wp-content/uploads/2012/07/Nigeria.pdf

[37] Ramirez, A, Ranis, G.& Stewart, M (2017).Economic Growth and Human development. Center Discussion Paper No 787.

[38] Ranjan K. D.,& Sharma C, (2018). Government Expenditure and Economic Growth: Evidence from India. The ICFAI University Journal of Public Finance, 6(3): 60-69.

[39] Self, S. & Grabowski, R. (2016). Does Education at all levels cause growth? India, a case study. Economics of Education Review.Vol.23: pp.47 – 55.

[40] Sodipe, O. A., &Ogunrinola, O. I. (2011).Employment and Economic Growth Nexus in Nigeria. International Journal of Economics and Social Sciences, 11(2), Special Issue.

[41] Testa, M. A., & Simonson, D. C. (2016).Assessment of quality-of-life outcomes.

New England journal of medicine, 334(13), 835-840.

[42] The World Bank (2020).World Development Indicators. Retrieved March 28, 2015 from http://www.worldbank.org.

[43] UNDP (2019).www.undp.org.Human Development Index. Retrieved from http://hdr.undp.org/en/data

[44] World Bank (2020). https://openknowledge.worldbank.org.Nigeria economic report. https://openknowledge.worldbank.org/bitstream/handle/10986/16568/776840WP0Niger0Box0342041B00PUBLIC0.pdf?sequence=1

[45] World Health Organization.(2018). World health statistics 2018.World Health Organization.