ALVAN JOURNAL OF SOCIAL SCIENCES (AJSS)
FACULTY OF SOCIAL AND MANAGEMENT SCIENCES
ALVAN IKOKU FEDERAL UNIVERSITY OF EDUCATION, OWERRI
https://www-ajsspub-org.b12sites.com https://www.ajsspub2.org
E- ISSN: 3043 – 5463 ISSN: 1595 – 5842 **VOLUME 2, ISSUE 3, 2025**

RESEARCH ARTICLE

COMPARATIVE INDUSTRIAL DEVELOPMENT OF NIGERIA AND SOUTH KOREA: ANALYTICAL APPROACH

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ABSTRACT

This study conducts a comparative analysis of the divergent industrial development paths of Nigeria and South Korea since the 1960s. South Korea, an Asian Tiger, transitioned from an aid-dependent, agrarian economy to a global industrial power, while resource-rich Nigeria to a large extent is still grappling with industrialization. Applying the Developmental State Theory, the study explores how differences in state capacity, industrial policy strategy, and institutional effectiveness account for this profound divergence. Documentary method of data collection was adopted and data sourced majorly from secondary sources. The secondary data collected was analysis ed (statistical data and policy documents) by content analysis. Findings indicate that South Korea's success was driven by a disciplined Export-Oriented Industrialization (EOI) strategy, strong state autonomy, targeted investment in human capital, and accountability mechanisms for private firms (e.g., the Chaebols). Conversely, Nigeria's reliance on Import Substitution Industrialization (ISI), coupled with the instability and corruption characteristic of a Rentier State, led to policy inconsistency and a failure to build a competitive manufacturing base. The study concludes that the nature and capacity of the state are the critical differentiating factors and recommends that Nigeria adopt policy consistency, performance-based intervention, and aggressive human capital development strategies.

Keywords: Comparative politic, planning, industrial development, policy strategy, vicious cycle.

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Received: 11/9/2025; **Revised:** 23/10/2025; **Accepted:** 22/11/2025; **Published:** 31/11/2025

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INTRODUCTION

In the post-colonial era of the 1960s, many nations in Africa and Asia embarked on journeys toward economic modernization and industrial development. Nigeria and South Korea were among these nations, sharing similar starting points as poor, agrarian societies. South Korea (1960s-1990s), emerged from the Korean War devastation. Following the military coup of 1961 under the authoritarian leadership of Park Chung-hee (1961-1979), the state embarked on a disciplined, strategic plan of Export-Oriented Industrialization (EOI). This period of rapid economic growth is known as the "Miracle on the Han River.

The state championed the Chaebols (conglomerates), invested heavily in education and infrastructure, and maintained a performance-based relationship with the private sector. (www.en.m.wikipedia.org). On a flipside, Nigeria gained independence with a promising agricultural base. The discovery and subsequent reliance on oil from the 1970s led to the "Dutch Disease," overvaluing the currency and killing non-oil exports. The state became a canter for distributing oil rents, leading to corruption, policy inconsistency, and the collapse of manufacturing and agricultural sectors.

This study postulated that Nigeria and South Korea were among nations that share similar starting point, but South Korea by the 21st Century had firmly established itself as a developed country.

Objectives of the study

The main objective of this study is to compare Nigeria and South Korea industrial development processes' transition from an aid-dependent, agrarian economy to a global industrial power. Specific objectives are:

1. To examine the nature and character of the state in Nigeria and South Korea during their formative industrial period.
2. To compare the specific industrial policies implemented by both states.
3. To assess the impact of leadership, bureaucratic capacity, and resource management on industrial outcome in both courtiers.
4. To drive lesions and policy recommendations for Nigeria based on the South Korean experience.

Research Questions

1. How did the nature and character of the state in Nigeria differ from that of South Korea during their formative industrial era?

2. What were the differences in the specific industrial policies implemented by both States?

3. What were the impacts of leadership, bureaucratic capacity, and resource management on industrial outcomes in both countries?

4. What lessons can Nigeria learn from the South Korean model of state-led development?

Significance of the Study

The study offers significant contributions to both academic discourse and policy formulation. Academically, it provides a rigorous, contemporary comparative case study that contributes to the Developmental State literature, particularly in explaining why state intervention succeeds in East Asia but often fails in Sub-Saharan Africa. From a policy perspective, the findings are crucial for Nigerian policymakers, highlighting that industrial success is not solely a matter of resource endowment or market forces, but of deliberate state strategy, institutional quality, and policy consistency. The resulting recommendations will guide efforts toward building a diversified, export-oriented manufacturing sector in Nigeria.

LITERATURE REVIEW

Conceptual Discourse

Developmental State

Development State, often refers to hard state, State-led developmentalism or in some cases Neo-developmental state, is a term used by international political economy scholars to refer to the phenomenon of state-led macroeconomic planning in East Asia in the late 20th century. In this model of capitalism (sometimes referred to as state-development capitalism), the state has more independent, or autonomous, political power, as well as more control over the economy. A developmental state is characterized by having strong state intervention, as well as extensive regulation and planning. The term has subsequently been used to describe countries outside East Asia that satisfy the criteria of a developmental state. The developmental state is sometimes contrasted with a predatory state or weak state (www.en.m.wikipedia.org).

The first person to seriously conceptualize the developmental state was Chalmers Johnson. Johnson defined the developmental state as a state that is focused on economic development and takes necessary policy measures to accomplish that objective. He argued that Japan's economic development had much to do with far-sighted intervention by bureaucrats, particularly those in the Ministry of International Trade and Industry (MITI). He wrote in his book *MITI and the Japanese Miracle*: In states that were late to industrialize, the state itself led the industrialization drive, that is, it took on developmental functions. These two differing orientations toward private economic activities, the regulatory orientation and

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the developmental orientation, produced two different kinds of business-government relationships. The United States is a good example of a state in which the regulatory orientation predominates, whereas Japan is a good example of a state in which the developmental orientation predominates (www.en.m.wikipedia.org).

A regulatory state governs the economy mainly through regulatory agencies that are empowered to enforce a variety of standards of behavior to protect the public against market failures of various sorts, including monopolistic pricing, predation, and other abuses of market power, and by providing collective goods (such as national defense or public education) that otherwise would be undersupplied by the market. In contrast, a developmental state intervenes more directly in the economy through a variety of means to promote the growth of new industries and to reduce the dislocations caused by shifts in investment and profits from old to new industries. In other words, developmental states can pursue industrial policies, while regulatory states generally cannot.

Governments in developmental states invest and mobilize the majority of capital into the most promising industrial sector that will have the maximum spillover effect for the society. Cooperation between state and major industries is crucial for maintaining stable macro-economy. According to Alice Amsden's *Getting the Price Wrong*, the intervention of state in the market system such as grant of subsidy to improve competitiveness of firm, control of exchange rate, wage level and manipulation of inflation to lowered production cost for industries caused economic growth, that is mostly found in late industrializers countries but foreign to early developed countries.

As in the case of Japan, there is little government ownership of industry, but the private sector is rigidly guided and restricted by bureaucratic government elites. These bureaucratic government elites are not elected officials and are thus less subject to influence by either the corporate-class or working-class through the political process. The argument from this perspective is that a government ministry can have the freedom to plan the economy and look to long-term national interests without having their economic policies disrupted by either corporate-class or working-class short-term or narrow interests (http//www.en.wikipe.dia.org)

Industrial Development

Industrial development is the building and growing of industrial activities within an economy (Uranta and Orusaibogha, 2022). These industries include mass production, technological advances, and other services. When an area or economy is industrialized it experiences an increased standard of living, job growth, and more productivity as it sustains growth. As productivity in an area increases, there is so much more opportunity (Shin, 2003; Shirley, 2014). On the other hand, economic growth provided by industrial development is a well-sustained growth that can transform an economy. Industrial growth and economic growth go hand in hand. Economies thrive when an industry is growing because a growth in the industry means more jobs, more money, and more opportunity. Industrial growth is often linked with higher wages the production that industry provides buts more money and more services for the economy leading to higher income per capita and more Labor productivity. The standard of living increases when industry increases. These opportunities can transform an area and inspire endless amounts of growth (Movahed, 2014; Jomo et al, 2008). Industrial growth then is not just a thing of an ancient history. It is as relevant today as it ever was. As a population grows and industry develops there is an increased demand for goods and services, there is more innovation and more financial opportunity. The citizenry all profit as a community thrives through industrialization. It then follows that industrial development is one primary function of the state, for the absence of it can predispose any people to vices and treats to the rest of the states (Chang, 2004; 2007).

Empirical Review.

Previous Comparative Overviews

Korea is unarguably one of the most industrialized South countries in the contemporary world. The industrialization of South Korea is at times depicted as a miracle because of the short span of time involved and its accomplishment despite limited natural recourses. Such industrial success is indeed a general phenomenon that occurred in countries now called the four "Asia Tigers" or Asia Dragons- Hong Kong, South Korea, Singapore, and Taiwan- which are newly industrialized Asia countries with highly developed economies. These tigers, together with Japan and other newly industrializing South East Asia countries (Indonesia Malaysia, and Thailand) are eight Asia economic models studied around the world. Of the Asia Tigers, South Korea stands as a case comparison to Nigeria. The country rose from debilitating poverty and war to join the league of industrialized nations (Hug, 2015; Kim, 1985; Kniivila, 2015; Page, 1994; Yimer, 2015). About fifty years back, Nigeria was more developed than South Korea. For instance, information at a museum of a Korean International Cooperation Agency (KOICA) in Seoul read by the writer during the exploratory visit to that country indicated that by 1960, South Korea was poorer than Nigeria and Nigeria was among the countries that sent aid to South Korea. In the same museum, there was information that South Korea now sends aid to Nigeria and somehow, this is amazing.

According to Yimer (2015, p.138), South Korea's economic and social transformations since 1960 remain" one of the biggest success stories in the history of development". During the period, the country transited from agrarian to industrialized society "exporting high-technology products" and from aid effectiveness to development effectiveness (Yimer, 2015 p.138). In Kim's (1987, p.1) submission, the industrialization of South Korea qualifies to be called a miracle because of "the transformation of a subsistence, agrarian economy with a meager resource and industrial base (with not more than an acre of farmland per household) to a rapidly growth industrialized country took place within a period of two decades.

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Moreover, the rapid growth has been achieved with a degree of relatively equitable income distribution by international standards.

To further buttress South Korea's advanced development, it is important to make reference to United National Development Programme (UNDP) 2015 report. The report (p. 47 ranked 188 countries grouped into four as follows:

(I) Very High Human Development, (II) High Human Development, (III) Medium Human Development and, (IV) Low Human Development

In the ranking South Korea belonging to very High Human Development" group. Out of 49 countries in the very High Human Development group, Korea ranked 17th countries in the group. While Nigeria ranked 152 out of 188 countries in the Low Human Development group.

Linter (2016) put the success of South Korea this way: "South Korea compared to Nigerian. lives 27.18 years longer, use 79.7 times more electricity, make 11.9 times more money spends q18.1 times more money on health, 86.61% less likely to be unemployed, 94.7% less likely to die in infancy, 96.83% less to have HIV/AIDS, 92.23% less likely to be murdered. Experience 28.83% less of a class divide, and have 78.28% fewer babies" (Linter,2016, p.1). Quoting the World Bank (2006), Kniivilla (2015,p.306) pointed out some of South Korea's key economic successes: these include rapid economic growth within a period of 40-45 years during which the country experienced very significant reduction in poverty and inequality. The reduction in poverty compound annual GDP growth rate (CAGR) of 7.5% between 1960 and 2002.

Also, very high growth in manufacturing with a manufacturing CAGR of 16%.5 for 1960-1969 and 17.6% for 1970-1979 period ; and decline in agriculture's value-added from 5.1% in 1960s to 1.7.6% for the 1990-2002 era. Similarly, according to World Bank (2006) report, "in 1965, the share of manufacturing in GDP was 14 per cent, and in 2004 they were 29 per cent and 4 per cent, respectively "(World Bank, 2006 cited in Kniivila, 2015, p. 306). The proportion of the country's working people employed in agricultural declined from 34% in 1980 to 18% in 1990 and 9% in 2003; the industrial sector recorded 29% in 1980, 37% in 1991 and 28% in 2003; and the services sector rose steadily to 64% in 2003 (World Bank, 2006 cited in Kniivila, 2015, p.306).

The implication of Table 1 as explained by Kim (1985, p.3) is that South Korea 's economy was mainly subsistence agricultural until first five-year industrial plan launched in 1962, which kicked off the industrial success. From that point, following two decades between 1961 and 1981 saw the country recording amazing economic and social information. During that period "real GNP expanded at an average rate of 8.6 percent per year from 12.5billion to 60 billion dollars; and per capital GNP increased from 471 to 1,549 dollars, both in 1980 prices

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Table 1: Korea's major Economic Indictors (1965-1981).

Indicators	1962	1981
Real GNP ($billion, 1980 price)	12.50	60.00
Per capital real GNP ($, 1980 price)	471.00	1,549.00
Commodity trade volume ($ billion).	0.45	45.00
Share of mining and manufacturing sector (percentage of GNP)	15.50	30.00
Domestic savings (percentage of investment)	25.50	69.10
Poverty group (percentage of population	40.90 (1965)	9.80 (1980)

Source: Economic planning Board cited in Kim (1985, p.4).

Meanwhile, its commodity trade volume increased substantially from 450 million dollars to approximately 45 billion dollars at current prices, registering an annual real growth rate, on average, of 10 percent (Kim, 1985, p.3). The success caused the country's economy to shift from agricultural to manufacturing. Thus, the GDP share of mining and manufacturing increased from 15.5% to 30 while agriculture's share of the GDP decreased from 40% to 18.3%; the domestic savings improved from 25.5% to 69.1% of total investment; the percentage of South Koreans considered to be poor declined from 40% in 1965 to 9.8% in 1980 (Kim 1985, p.3).

Theoretical Framework

The study will be anchored primarily on the Developmental State Theory, as articulated by Chalmers Johnson (1982) and Robert Wade (1990).

Meredith Woo-Cumings (1999: 1) describes the theory of developmental state as the explanation for the East Asian industrialization. According to Chalmers Johnson 'it is a shorthand for the seamless web of political, bureaucratic, and moneyed influences that structures economic life in capitalist Northeast Asia' (Johnson 1982). Chalmers Johnson in his book MITI and the Japanese Miracle, used this term analyzing the process of the industrialization of Japan and south Korea.

It is often conceptually positioned between a free-market capitalist economic system and centrally planned economic system, and called a plan-rational capitalist system, 'conjoining private ownership with state guidance' (Woo-Cumings, 1999). Johnson admits that 'one of [his] main purposes in introducing the idea of capitalist developmental state […] was to go beyond the contrast between the American and Soviet economies' (Johnson 1999: 32). Its roots are drawn from the theory of mercantilism advocating intervention of the state in the economy.

It is believed that, historically, developmental state existed in Bismarck's Prussia and in Japan during the Meiji era. The governments of those states followed a state designed developmental path and until now have been favouring a state interventionism over a liberal open market, be it in the form of East Asian fast developer or of what later became the continental-European model of a capitalist welfare state. It is, however, the research on East Asia which eventually prompted the theory's formulation and allowed for it to be implemented in the scholarly debates and literature.

METHODOLOGY

Research Design: The study is qualitative in nature and adopts historical research design.

Method of Data Collection: Data collected through documentary methods relied majorly on secondary sources which include but not limited to historical books, journal articles, and academic theses. Government policy documents (e.g., Nigerian National Development Plans, South Korean Five-Year Economic Plans). Reports from international organizations (World Bank, IMF, UNIDO). Economic data on GDP growth, manufacturing output, and exports from databases like the World Development Indicators and internet materials

Data Analysis: Comparative Historical Analysis will be used. This involves systematically comparing the historical sequences and processes in both countries to identify causal factors. The data thematically presented will be analyzed based on the core variables from the theoretical framework: state autonomy, bureaucratic capacity, nature of industrial policy, and resource management.

RESULTS AND DISCUSSIONS

Presentation and Analysis of Data

This section would present the compiled data in a structured, comparative format.

·**Table 2:** GDP Growth and Manufacturing Value Added (% of GDP), 1960-2000 (Nigeria vs. South Korea). here is a comparative table showing the GDP growth and manufacturing value added (% of GDP) of Nigeria and South Korea from 1960 to 2000, decade averages to highlight the long-term trends.

Table 2: Comparative Assessment of Nigeria versus South Korea.

Period	Nigeria-Average GDP Growth (%)	South Korea - Average GDP Growth (%)	Nigeria manufacturing value added (%of GDP)	South Korea-manufacturing value Added (%GPD)
19960-1969	4.5%	7.8%	~5%	~15%
1970-1979	6.2%	9.1%	~7%	~25%
1980-1989	-0.3%	7.7%	~8%	~28%
1990-2000	2.5%	6.3%	~5%	~28%

Source: World Bank Open Data.

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Diverging Growth paths, in the 1960s, both countries had positive growth, but South Korea was significantly higher. From the 1970s onward, their paths diverged dramatically. South Korea maintained exceptionally high growth for four decades, while Nigeria's growth became volatile and stagnated, especially during the 1980s "lost decade."

The Manufacturing Engine: The data on Manufacturing Value Added tells the core story. South Korea systematically industrialized, with manufacturing's share of its economy rising rapidly and then stabilizing at a very high level (over a quarter of its total GDP). This manufacturing base was the engine of its export-led growth.

The "Dutch Disease" in Nigeria: Nigeria's story is a classic case of the "resource curse" or "Dutch Disease." The discovery of vast oil reserves in the 1970s led to an oil boom. While this boosted overall GDP growth temporarily, it made the economy reliant on oil, caused the currency to strengthen, and made other sectors (like agriculture and manufacturing) less competitive. Manufacturing never became a significant part of the economy.

Table 3: Key Industrial Policies and Their Outcomes (e.g., Nigeria's Indigenization Decree versus South Korea's Heavy and Chemical Industry Drive). Comparison that highlights the fundamental reasons behind the divergent development paths of Nigeria and South Korea.

Nigeria Indigenization Decrees (1972, 1977) vs. South Korea’s Heavy and Chemical Industry (HCI) Drive (1973-1979)

Feature	Nigeria Indigenization Decrees	South Korea and Chemical Industry (HCI) Drive
Core objective	To transfer ownership and control of major business from foreigners to Nigerians (economic nationalism).	To rapidly build a self-reliant, capital-goods industrial base for defence and export-led growth.
Key legislation/ plan.	Nigerian Enterprises promotion Decrees of 1972 and 1977.	The HCI Declaration (1973) and detailed sectoral plans.
Primary strategy	Mandatory divestment: foreign firms were legally forced to sell equity share (40% in 1972, up to 100% in certain sectors in 1977) to Nigeria citizens or the state.	State-directed investment & support: the state provides massive subsidized loans, trade protection, built infrastructure, and directly coordinated private conglomerates (Cheabols).
Target sectors	A wide range of existing business: manufacturing, banking, insurance, trade, service.	Strategic new industries: steel, shipbuilding, automobiles, petrochemicals, electronics, machinery.
Role of the State	Regulator & Enforcer: policing ownership rules. The state itself becomes a major owner through public enterprises.	Strategic Investor & Coordinator: Acting as a venture capitalist, planner, and risk-manager in partnership with Chaebols.
Source of Financing	Primarily from windfall oil revenue, which enriched the state and a few private individuals who could buy the assets.	Directed credit from state-controlled banks, high domestic savings and strategic foreign borrowing.
Outcome-Industrial Base	Stagnation & Decline: no significant new industrial capacity was created. Focus was on owing, not building, existing firms faced capital fight and lose of expertise.	Dramatic Expansion: created world-class, competitive industries (e.g., POSCO steel, Hyundai shipbuilding & autos) laying the foundation for export dominance.
Outcome-Economic structure	Reinforced Dependence on oil. Manufacturing as a % of GDP remained low. The economy becomes less diversified.	Achieved deep industrialization. Manufacturing as a % of GDP soared, creating a complex, diversified economy.

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Outcome-long-term Development	Negative: crippled foreign investment, encouraged capital flight, and fostered a "rentier" culture focusing on sharing existing wealth rather than creating new wealth.	Positive: catapulted South Korea into the ranks of advanced economies, the HCI industries become the core of it global economic competitiveness.

Sources: (Lewis, peter m (1994). For Nigeria, Amsden, Alice H. (1989) for South Korea.

The fundamental difference lies in the strategic intent of the policies

Nigeria's Indigenization was a distributive policy. Its goal was to redistribute the ownership of existing productive assets for political and nationalist reasons. It was not a strategy to build new industrial capacity. The policy was fuelled by easy oil money, which created a focus on rent-seeking (profiting from ownership without productive effort) rather than entrepreneurial risk-taking.

South Korea's HCI Drive was a productive policy. Its goal was to strategically create new, advanced industrial capacity that would make the nation globally competitive and secure. The state acted as a disciplined, performance-oriented partner to the private sector, demanding results in exchange for support.

Table 4: Indicators of State Capacity (e.g., Corruption Perceptions Index, Quality of Bureaucracy, Education Expenditure as % of GDP). A comparative table of corruption perceptions, bureaucracy quality, and Education expenditure for Nigeria and South Korea, focusing on key developmental periods.

Table 4: Nigeria versus South Korea (1980-2000)

Indictor	Nigeria	South Korea
	Corruption perception index (CPI)	
CPI 2023 (for reference)	25/100 (Rank 145/180)	63/100 (Rank 63/180)
Historical context (1980s-1990s)	Pervasive and systemic corruption, often described as "kleptocratic". Characterized by grand corruption, patronage networks, and rent-seeking, especially around oil revenues.	Authoritarian era had corruption tired to government-chaebol relationships, but it was more "channelled" towards national industrial goals. Democratic reforms in the 1990s increased transparency.
	Quality of Bureaucracy	
Historical context (1970s-1990s)	Low. Affected by political instability, patronage, and "prebendalism" (using public office for personal aggrandizement). Weak meritocracy, policy implementation was inconsistent.	High. A merit-based, professional, and powerful bureaucracy (e.g, Economic Planning Board). Able to design and implement complex industrial policies effectively.
	Education Expenditure (% of GDP)	
Avg. 1970-2000	Very low, typically between 1% and 2% of GDP.	Consistently high, ranging from 2.5% to 4% of GDP. With a strong upward trend.
Key focus & outcome	Underfunding led to poor infrastructure, and low educational quality. Focus was on primary enrolment, with low tertiary attainment.	Heavy investment at all levels, especially in technical and engineering fields (STEM), creating the skilled workforce needed for industrialization.

Source: corruption perception index (CPI).& Evan, peter B.(1995).

ANALYSIS OF THE DIVERGENT OUTCOMES

These three factors are deeply interconnected and created a self-reinforcing cycle in each country:

The South Korea Virtuous Cycle:

1. High Education Spending created a skilled populace.
2. This skilled populace fed into a High-Quality, Meritocratic Bureaucracy.
3. This competent bureaucracy could design effective policies, minimize waste, and curb the worst forms of corruption, ensuring that state resources were used productively.
4. This productive use of resources generated more wealth, which could be reinvested into Education, restarting the cycle.

The Nigeria Vicious Cycle:

1. Low Education Spending resulted in a skills deficit.
2. This made it difficult to staff a professional bureaucracy, leading to Low Bureaucracy Quality and a system vulnerable to patronage.
3. This weak bureaucracy was unable to curb Systemic Corruption, and state resources were siphoned off for private gain.
4. This theft of public funds left little money for public goods like Education, perpetuating the cycle.

DISCUSSION OF FINDINGS

The pivotal point in South Korea's economic development came with the coup d'etat led by major General Park Chung-Hee (1917-1979Z) in 1961. Park's regime initiated a series of five-year economic development plans starting in 1962. These plans focused on establishment of strong industrial base and the promotion of exports. The government invested heavily in infrastructural, including highways, ports, and energy facilities, and implemented policies to foster industrialization, particularly in sector like textiles, steel, and shipbuilding (www.en.m.wikipedia.org).

Also, Park Cung-Hee's policies include land reform, which redistributed land to the peasantry, dramatically improving agricultural productivity and rural incomes. Their government promoted education aggressively, resulting in a highly literate and skilled workforce. Furthermore, their more their government maintained tight control over the economy, including directing credit to specific industries, protecting emerging sectors through tariffs, and managing currency exchange rates to favor exports.

SUMMARY, CONCLUSION, AND RECOMMENDATIONS

Summary

This study set out to compare the industrial development paths of Nigeria and South Korea to understand the factors driving their divergence. The research confirmed that while South Korea's state adopted and rigorously implemented the principles of the Developmental State, utilizing an effective EOI strategy and prioritizing human capital, the Nigerian state, operating largely as a Rentier State, failed to maintain policy consistency, institutional discipline, and a genuine commitment to building a competitive industrial base. The findings overwhelmingly demonstrate that the nature and capacity of the state were the determinant factors.

Conclusion

The industrial divergence between Nigeria and South Korea is a powerful illustration that institutions and governance matter more than resources. South Korea's "economic miracle" was a product of deliberate, disciplined state intervention centered on performance, accountability, and long-term vision. Nigeria's industrial stagnation is primarily a result of a weak, rent-seeking, and patronage-driven state that consistently failed to implement and sustain effective, export-oriented industrial policies. Achieving industrial development in Nigeria requires a fundamental transformation in the political settlement, moving away from a rentier mentality toward building an effective, performance-driven developmental state.

Recommendations

Based on South Korea's experience, the following are recommended for Nigeria:

1. Shift from Rent to Production: Aggressively reduce reliance on oil revenue and institute a robust taxation system to foster greater accountability between the state and the productive sector.
2. Adopt Performance-Based Intervention: Replace general subsidies and protection with targeted incentives (credit, infrastructure) linked to strict, measurable performance standards, particularly for exports and local value addition.
3. Prioritize Human Capital and R&D: Dramatically increase and consistently fund STEM education, technical vocational training, and R&D to build a knowledge-based industrial workforce.
4. Strengthen State Autonomy and Bureaucracy: Implement civil service reforms to enhance technocratic capacity and insulate key economic planning bodies from political interference and corruption.

5. Policy Consistency: Legislatively lock in long-term industrial policies and infrastructure plans to ensure continuity across different political administrations.

Competing Interest

The authors declare that no conflicting interest exist in this manuscript.

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