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> " Nigerians are beginning to realize that the nation cannot continue to rely on its natural resource base for much longer…we want to be a major software exporter to sustain our development."
>
> ***—IT leader, Nigeria***

> " Information technology as an industry is steadily growing. However, with a boost from government in the form of strong policy support, [it] will definitely assist in making Nigeria a prominent player in the IT industry in Africa."
>
> ***—Director of Nigerian IT company***

As Nigeria grapples with major challenges of poverty alleviation and evolving democracy while balancing ethnic tensions, the nation is also struggling to participate in the Networked World. Nigeria's inadequate telecommunications infrastructure, unreliable power supply, and poor governance help to explain only some of the underlying factors that lead to the nation's overall seventy-fifth ranking in the Networked Readiness Index.

Nevertheless, the long-anticipated issuance of mobile telephony licenses has created a new sense of hope that progress can be made in improving the telecommunications sector. The Nigerian government is trying hard to build on its demonstrated willingness for private-sector-led development to roll out a much-needed national information infrastructure (Ranking in Information Infrastructure micro-index: 75). The Computerize Nigeria Project, a private-public partnership between the government and a local ICT hardware manufacturer, is expected to produce the first set of Made in Nigeria computers for local consumption.[1]

In April 2001, the government announced an ambitious national information technology strategy that aims "to make Nigeria an IT-capable country in Africa and a key player in the information society by the year 2005."[2] This strategy is being debated in the senate, but some observers argue that it is not well integrated with national policies on science and technology, industry and commerce, communications, education, and investment.

After years of unreliable service and high charges, NITEL, the state-owned monopoly in fixed-line operations, is on course to be partially privatized (Ranking in Effect of Telecommunications Competition: 73). In the meantime, the majority of Nigerians are unable to afford a telephone, let alone access the Internet. Schools, hospitals, and businesses all lack connectivity. Faced with the burden of vandals and thieves digging up copper wire, some Nigerian telecommunications engineers may welcome the potential of wireless telephony as Nigeria's cellular market begins to unfold.[3]

The banking and energy sectors are the major corporate users of ICT, with foreign multinationals leading the way. Online banking has been introduced to cater to both resident Nigerians and expatriates, but the domestic economy is predominantly cash-based. However, several B2B and B2C e-commerce initiatives were launched recently through a consortium of banks and individual players, offering a variety of electronic payment systems via Smart Pay technology.[4] Few foreign-based Nigerian professionals return to their country; much of Nigeria-based ICT talent pursues opportunities in the United States and other developed economies (Ranking in IT Brain Drain: 59).

In an attempt to improve the skills of ICT workers, a national computer literacy program was launched in the late 1990s; however, critics argue that it is too basic and does not encourage Nigerian ICT users to be producers of knowledge-based services (Ranking in Quality of IT Education: 69). Annual imports of computers, software, and peripherals were US$450 million at the end of 2000.[5] Efforts to raise awareness and provide ICT training in the national university system are underway. The Nigerian Universities Network (NUNet) aims to use satellite technology to connect higher education institutions to the international backbone, but only a handful of universities are benefiting due to the licensing restrictions on VSAT[6] (Ranking in Internet Access in Schools: 73). There is an innovative project underway to use solar power for computer labs in secondary schools in Lagos, to compensate for shortcomings in the standard electricity supply.[7]

Nigeria

Key Facts

Population	114,000,000
Rural population (% of total population) 1999	56.90 %
GDP per capita (PPP)	US$871
Global Competitiveness Index Ranking, 2001–2002	74
UNDP Human Development Index Ranking, 2001 (adjusted to GITR sample)	74
Main telephone lines per 100 inhabitants	0.43
Telephone faults per 100 main telephone lines	327.00
Internet hosts per 10,000 inhabitants	0.06
Personal computers per 100 inhabitants	0.61
Piracy rate	67.00 %
Percent of PCs connected to Internet	0.01 %
Internet users per host	1,298.70
Internet users per 100 inhabitants	0.09
Cell phone subscribers per 100 inhabitants	0.02
Average monthly cost for 20 hours of Internet access	US$40.71

	RANK
Networked Readiness Index	**75**
Network Use component index	**75**
Enabling Factors component index	**74**
Network Access	**67**
Information Infrastructure	75
Hardware, Software, and Support	59
Network Policy	**74**
Business and Economic Environment	73
ICT Policy	74
Networked Society	**67**
Networked Learning	63
ICT Opportunities	65
Social Capital	72
Networked Economy	**65**
e-Commerce	59
e-Government	63
General Infrastructure	74