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Enhancing Sustainable Economic Growth and Development through Human Capital Development

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Abstract
This study examined enhancing sustainable economic growth and development through human capital development in Nigeria. Primary data were collected through structured interviews from 296 respondents via questionnaire.
The survey research design was used to collect data for the study. Data collected were analyzed using simple percentage (%), mean score ($\bar{x}$) and chi-square (X^2). Results of the findings showed that human capital development plays a critical role in economic growth and development; investment in human capital development will result in improved economic growth and development and that economic growth and development cannot be sustained without human capital development.
The study concluded that to enhance and sustain economic growth and development, and for human capital to have an impact on economic growth and development, Nigeria needs to invest more on its human capital development as well as the provision of opportunities for developed human capital to express their skills, knowledge and abilities. The study suggested that more priority should be given to human capital development as well as the educational sector and human capital development should be the responsibility of all and sundry and not government/organizations alone.

KEYWORDS: Development, Economic Growth, Economic Development, Human Capital, Human Capital Development.

1.0 INTRODUCTION

No country has achieved sustainable economic growth and development without substantial development of its human capital (Adenuga & Otu, 2002). Several studies have shown how human capital development can affect economic growth and development as well as sustain development.
Human capital development remains the centerpiece of any meaningful economic growth and development programme that may be pursued by any nation. It takes into account all the opportunities, strategies and challenges that might face the process of human development. The differences in the level of socio-economic development across nations are attributed not

so much to natural resource endowment and the stock of physical capital but to the quantity and quality of human resources. For example, Africa is reputed to have 40% of the world's natural resources but among the least developed continent. Human capital is an important factor used in converting all resources for mankind's use and benefits. Economists observed that the development and utilization of human capital is important in a nation's economic growth. As the global economy shifts towards more knowledge-based sectors, human capital development becomes a central and critical issue in attaining development both at the macro and micro levels.

Human capital development implies building an appropriate balance of critical mass of human resource base and providing an enabling environment for all individuals to be fully engaged and contribute to national development efforts. It involves providing opportunities for all citizens to develop to their fullest potentials. While organizations and nations places more emphasis on growth and development indices, the major driver of it, the people are overlooked and are often considered as mere factors of production. This implies *inter alia* inequality in terms of income, choice and poverty among the greater part of the population.

Of all the contributory factors to economic growth and development, human resources stands out as the major factor that determines the manner in which all other factors should be combined and utilized to spur the developmental process (Ojo, Oladunmi & Bamidele, 1997). Studies have also shown that investments in human capital are essential for sustaining economic growth and development.

Overtime in Nigeria, the following issues relating to human capital development and sustainable development has remained unresolved: uneven distribution of skilled manpower, underemployment of human capital, unemployment, poor reward system impeding the acquisition and development of human capital, underutilization of human capital, shortage of professionals, brain-drain, etc. In the past, much of the planning in Nigeria was centered on the accumulation of physical capital and exploitation of natural resources for rapid growth and development, without due attention to the important role played by human capital in the development process. Human resources are not only means, but more importantly, the ends that must be served to achieve economic progress (Harbinson, 1973; Yesufu, 2000). It is apparent that the underdevelopment and underutilization of the skills and knowledge of the people of a country will lead to economic retardation of such a country. Since a healthy and well educated people make an economy more productive, human capital development is imperative. Investment in human capital creates a broad, technologically trained human capital base well suited to economic growth and development. It is argued that human capital development played a significant role in the quick and rapid industrialization and general development of such countries as Singapore, Hong Kong, the Republic of Korea, Taiwan, China, and Japan. These are countries less endowed in terms of natural resources in comparison to Nigeria. The World Bank studies of East Asian development identified investment in human capital as one important factor accounting for the rapid development of the East Asian countries.

In the light of the above, this study seeks therefore to examine the enhancement and sustainability of economic growth and development through human capital development with focus on Nigeria.

1.1 STATEMENT OF RESEARCH PROBLEM

Nigeria is rated by international standards as "less developed", "developing", and thus has economic growth and development as a major goal. Nigeria's predicament could be placed on poor human capital development and utilization policies and the creation of an enabling environment for the full and useful engagement of the human capital developed. Since independence in 1960, Nigeria as a nation has been grappling with ways to enhance and sustain economic growth and development.

In Nigeria, the development of human capital has been accorded less attention than it should. The investments in educational institutions and facilities have not positively resulted in human capital development. The development of human capital without opportunities for utilizing or exploring these developed human capital in Nigeria constitute a problem in this study. This current situation is in contrast to that which was obtainable in the 70s and 80s where jobs are available and are waiting for graduates. What then went wrong? Even now, the best graduating student can hardly get a job if he/she does not have an influential godfather or connections with the highly placed and privileged few individuals in government. Worse still, the organs of government in Nigeria, both at the state and federal levels, have politicized employment in the public sector. According to Alabi (1985), in 1976, the Federal Government of Nigeria thought the only way to industrialize quickly was to send students abroad for technical education. He observed that some of the students were sent to Bulgaria, United States, England, Poland and Italy amongst others. By 1979 when they started returning, the Federal Government was yet to provide any "suitable place where these technicians could put the newly acquired skills into practice". He noted further, that many of the returnees remained for years without jobs.

Another problem of human capital development in Nigeria is 'brain drain' and the development of human capital outside the shores of Nigeria. Valuable foreign exchange is expended annually by Nigerians for human capital development via education (Aluko, 2011). According to Dr. Wale Babalakin in September 2012, some 75,000 Nigerian students spent 170 billion naira in Ghanaian tertiary institutions (Adelusi-Adeluyi, 2012). It is sad to note that billions of naira are been spent by Nigerians overseas on education in the United kingdom, United States, Ukraine, Malaysia amongst other countries which have not been captured. According to a National Manpower Board survey, Nigeria lost more than 1,500 professionals to other countries in 1996 alone. In some specialized disciplines, the loss was as much as 70% of the available workforce. UNDP Human Development Report (1996) estimated that more than 21,000 Nigerian doctors are practicing in the United States. Some shocking revelations about this situation include: Nigeria is the 17th largest source of international undergraduates and the 19th largest source of international graduates in the United States of America in 2009/2010; Nigeria is the largest source of students from Sub-Saharan African to the United States (Nigeria Education Fact Sheet, 2012). This scenario similarly repeats itself in many other disciplines and professions. The gap in the number of professionals trained and produced and the number engaged can be accounted for by "Brain-drain", low capacity utilization and unfavourable working environment. The negative implications and effects of this in Nigeria's development are devastating to say the least.

Despite the importance of educational institutions, Nigeria spends an almost insignificant proportion of her financial resources on education. The characteristic pattern of government's allocation to education as a percentage of the total budget revealed inconsistency. Budgetary allocation to education in Nigeria fluctuated between 1.9% and 12% from 1980 till date which is far below United Nations recommended standard of 26% as compared to Ghana that budgeted 31% for expenditure for education in 2013. Advanced countries spend an average of 21.3% of their national budget on education (UNDP, 1991).

1.2 OBJECTIVES OF THE STUDY

1. To establish the critical role of human capital development in enhancing economic growth and development.
2. To ascertain if investment in human capital development can result in improved economic growth and development.

1.3 RESEARCH HYPOTHESIS

1. Human capital development plays a critical role in enhancing economic growth and development.
2. Investment in human capital development will result in improved economic growth and development.

2.0 LITERATURE REVIEW

2.1 CONCEPTUAL CLARIFICATION

(A) DEVELOPMENT

The conception of development underpins much of the work of international organizations such as the United Nations (UN), World Bank, International Monetary Fund (IMF) and also many national governments. According to Goulet (1971), development must include three basic components-life sustenance (concerned with provision of basic needs), self-esteem (concerned with feelings of self-respect and independence) and freedom (the ability of people to determine their own destiny). Sen (1983, 1999) posited that development is judged by the expansion of people's entitlements (the set of alternative commodity bundles that a person can command in a society using the totality of rights and opportunities that he or she faces) and the 'capabilities' that these entitlements generate.

Development according to Wiredu (1995) in Iyoha & Onwuka (1996) has two dimensions, material and moral. Materially, development involves the control and exploitation of the physical environment through the application of the results of science and technology. Morally, development consists of the regulation and improvement of human relationships through the promotion of humane values such as freedom, justice, equality and cooperation. Thus, to Wiredu, a well-rounded development is one in which material advancement and social or moral developments are mutually reinforcing. Dudley Seers on development posited that a pertinent question to ask as per development is what has been happening to poverty, unemployment and inequality?

The World Bank uses Gross National Income per capita (GNI p.c.) to divide countries of the world into four development categories namely low income countries (countries with less than US$945), lower middle income countries (countries having between US$946-$3,835), upper middle income countries (countries having between US$3,835-$11,905), and high income countries (countries having between US$11,906 and more).

Summarily, development is a multidimensional concept which embraces multifarious economic and social objectives, concerned with the distribution of income, provision of basic needs, and the real and psychological well-being of people. In other words, development means progress recorded by man in all facets of human endeavor, that is, quantitative and qualitative leap from one economic, social, cultural, technological and political realm to another.

The actors in development according to Willis (2011) are individuals, household, community, government, non-governmental organizations, private companies, multilateral organizations-International Monetary Fund, the United Nations and the World Bank.

(B) ECONOMIC GROWTH

Economic growth means more output (Kindleberger, 1965). Economic growth was defined by Kuznets (1966) “as a long-term rise in capacity to supply increasingly diverse economic goods to its population, this growing capacity based on advancing technology and institutional and ideological adjustments that it demands”. Modern economic growth is a sustained increase in per capita or per worker product, most often accompanied by an increase in population and usually by sweeping structural changes”. It refers to the development of the developed countries of Western Europe, the United States, Canada, Australia and Japan (Kuznet, 1966).

Economic growth is related to a quantitative sustained increase in the country’s per capita output or income accompanied by expansion in its labour force, consumption, capital and volume of trade (Friedman, 1972). Economic growth was determined by two types of factors, economic and non-economic growth factors (Jhingan, 2005). Economic growth factor is dependent upon its natural resources, human resources, capital, enterprise, technology, etc. The non-economic growth factors include social institutions, political conditions, and moral values.

Karl Marx outlined five stages of economic growth. They are the primitive communal stage, the slave stage, the feudal stage, the capitalist stage and the socialist or communist stage. Similarly, Rostow(1960) distinguished five stages of economic growth. They are the *traditional society stage* (society whose structure is developed within limited functions based on pre-Newtonian science and technology; based on agriculture; family and clan allegiances), the *pre-conditions for take-off stage*(this stage requires radical changes in three non-industrial sectors: build-up of social overhead capital, especially in transport; a technological revolution in agriculture; and lastly expansion of imports, including capital imports, financed by efficient production and marketing of natural resources for exports, savings and investment rates above population growth rates; national level organization and institutions; new elites; changes often triggered by external intrusion), *the take-off* stage (it is an industrial revolution tied directly to radical changes in the methods of production, having their decisive consequence over a relatively short period of time, lasting for about two decades. Conditions for take –off stage were given as a rise in the rate of productive investment from, say 5% or less to over 10% of national income or net national product; the development of leading sectors, manufacturing; and the existence of quick emergence of a political, social and institutional framework which exploits the impulses to expansion in the modern sector and gives growth an outstanding character), *the drive to maturity stage* (it is the period when a society has effectively applied the range of (then) modern technology to the bulk of its resources. It is a period of long sustained economic growth extending well over four decades. New production techniques take the place of the old one, extended range of technology adopted; development of new sectors; investment and savings 10-20% of national income), and *the age of mass consumption* (in this stage, the balance attention of the society is shifted from supply to demand, from problems of production to problems of consumption and welfare in the widest sense. It is the migration to suburbia, the extensive use of the automobile, widespread consumption of durable consumer goods and services and household gadgets; increased spending on welfare services).

SOME THOUGHTS ON ATTAINMENT OF ECONOMIC GROWTH

Below were perceptions of some notable scholars on attaining economic growth:

(i) Adam Smith: He proposed the ideology of "the invisible hand of the market" rather than by the state to regulate production of goods and services so as to attain economic growth. He is the proponent of market-centered approach to economic development also known as Laissez-faire economies.

(ii) David Ricardo: He is an advocate of free trade and comparative advantage theory. In comparative advantage theory, he posited that countries should concentrate on producing and then selling the goods they had an advantage in producing. This is because of their assets- land, mineral resource, labour, technical or scientific expertise can be used to attain growth.

(iii) John Maynard Keynes: He believed that the key to economic growth was real investment, investments in new (rather than replacement) infrastructure projects. He claimed that such investments would have a positive effect on job creation and generation of wealth. He saw a key role for government in promoting economic growth rather than the market alone.

(iv) Arthur Lewis: To him, development take place as surplus labour moved from the non-profit oriented sector to the capitalist modern sectors.

(C) ECONOMIC DEVELOPMENT

Economic development implies both more output and changes in the technical and institutional arrangement by which it is produced and distributed (Kindleberger,1965). To Friedman (1972), economic development is a wider concept than economic growth; "It is taken to mean growth plus change". However, it should be noted that economic growth and economic development are two different concepts. Economic growth is quantitatively centre while economic development is qualitative centered on human beings. Nevertheless, both concepts are interdependent and mutually reinforcing.

To cap it all, an economy can grow but it may not develop because poverty, unemployment and inequalities may continue to persist due to the absence of technological and structural changes. But it is difficult to imagine development without economic growth in the absence of an increase in output per capita, particularly when population is growing rapidly.

(D) HUMAN CAPITAL

Human capital is also referred to as human resources. The contemporary theory of human capital can be traced back to the 1960's and 70's, when Mincer (1958), Schultz (1960, 1961), Becker (1975), and Denison (1962, 1979), gave their different points of view on the concept and formation of human capital, and its role in the economy.

The concept of human capital refers to the abilities and skills of a country (Okojie, 1995). Human resources is all embracing, i.e., it is inclusive of persons who work now, or are likely to be productively employed sooner or later. Yesufu(2000) in agreement with this view, opines that "the essence of human resources development becomes one of ensuring that the workforce is continuously adapted for, and upgraded to meet, the new challenges of its total environment". This implies that those already on the job require training, reorientation or adaptation to meet the new challenges. Human capital according to Adenuga & Otu (2002) refers to the aggregate stock of a nation's population that can be drawn upon for present and future production and distribution of goods and services. It comprises the essential variables (i.e skills, knowledge, and abilities) available within each unit of a nation's human resource stock. Furthermore, human capital is the stock of competencies, knowledge, social and personal attributes, including creativity, embodied in the ability to perform labour so as to produce economic value (Simkovic, 2012). According to Coleman (1998), human capital refers to knowledge, abilities and skills of the individuals that can be used in the activities that stimulate economic growth and development. To further enlarge the concept, Florin and Schultze (2000) pointed out the existence of different types of human capital: firm-specific human capital, industry-specific human capital, and individual-specific human capital. Firm-specific human capital refers to skills and knowledge that are valuable only within a certain firm. They are directly correlated with tradition, culture and its practice and they can be applied only within that company. Industry-specific human capital on the other hand refers to the knowledge that resulted from experience specific to an industry. The third type of human capital is the individual- specific human capital. This refers to knowledge that is required in firms and industries. Organization for Economic Cooperation and Development (OECD,2001) defined human capital as "the knowledge, skills, competencies, and attributes embodied in individuals that facilitate the creation of personal, social and economic well-being".

From the various definitions above, human capital is an all-embracing and multi-dimensional concept that cannot be fully captured by mere definition. A synthesis of the most popular attempts at defining human capital expounds the concept as:

- Human resources, including knowledge, skills, attitudes.
- Human capability and productivity engendered through knowledge and skills acquired from education, training and experience; and facilitated by an enabling environment; and
- That intangible factor of the production process that contributes human intellect, skills and competencies in the production and provision of goods and services.

(E) HUMAN CAPITAL DEVELOPMENT

Any effort to increase human knowledge, enhance skills, productivity and stimulate resourcefulness of individuals is an effort of human capital development (Erluwua, 2007).Human capital development according to Harbinson (1973) refers to the process of acquiring and increasing the number of persons who have the skills, education and experience which are critical for the economic growth and development of the country. The Human Development Report of UNDP(2000) highlighted human capital development as a process of expanding choices and developing capabilities of the people in all economic, social and cultural activities of a wealthier, more knowledgeable and meaningful life by empowering as well as providing them the opportunity of widely participating in formulating and implementing development policies that affect their lives. It also affirms that people are placed at the center of development and that people are both an objective and engine of any meaningful development.

Summarily, human capital development was described as an end or objective of development. It is a way to fulfill the potential of people by enlarging their capabilities, and this necessarily implies empowerment of people, enabling them to participate actively in their own development. Thus, human capital development is a people centered strategy.

2.2 FORMS/METHODS OF HUMAN CAPITAL DEVELOPMENT

- Education: it includes both formal (primary, secondary & tertiary institutions) and informal education (skills acquisition, vocational training, etc).
- Training, learning and development programmes of professional bodies, organizations.
- Civil/Public service training programmes: This involves trainings organized by government for its workforce. It could be on-the-job and/or off-the-job.
- Corporate, public, global conferences, seminars, workshops, etc.
- Exchange programmes: This include the interchange programmes organized by private companies (e.g. Chevron Nigeria Ltd, Shell Petroleum Development Company, etc) or cross country postings by government as well as organizations.

2.3 SCHOOL OF THOUGHTS ON DEVELOPMENT

Among the schools of thought on development are the capitalist, socialist and communist schools of thought. All the schools of thought have divergent views on the ownership of means of production and the allocation of resources. Thus the extent of development is contingent on who owns means of production.

1. **Capitalist school of thought:** This school of thought argued that for development to occur, the principles of capitalism should be adopted. The principle of capitalism is premised on the private ownership of means of production and the role of the market (forces of demand and supply) in allocating resources. Karl Marx divided the society into two, the “bourgeoisie” who owns the means of production, and the “proletariat” who does not own the means of production. In this school of thought the ‘ability to pay’ determines who gets what, when and how. Notable scholars in this school of thought are Adam Smith, Karl Marx, Max Weber, Paul Baran, David Ricardo, Arthur W. Lewis, J.S. Mill, Paul Sweezy, etc. Max Weber posited that Protestant Ethics gave rise

to capitalism as well as modernization. Under this approach, wealth measure was used to represent development in which countries were stratified into four categories (low income countries, lower middle income countries, upper middle income countries and high income countries) using Gross National Income as the instrument of measurement. This school of thought on development was based on the assumption that with greater wealth come other benefits such as improved health, education and quality of life.

2. **Socialist school of thought:** This school of thought is premised on the state owning the means of production and regulation the allocation of resources. Decisions about allocation of resources are based on the needs of the people. According to Kilmister (2000) in Willis (2011), three categories of countries that followed this model of development were (i) countries where the state was the only actor strong enough to direct development, (ii) countries where socialist ideas were key in struggles for national liberation from colonial rule and (iii) states adopting strong forms of state central planning,, but not formally adopting a socialist route.
3. **Communist school of thought:** This school of thought is premised on collective ownership of means of production by the people as well as the allocation of resources. Proponents of this school include Josef Stalin, etc.

2.4 APPROACHES TO DEVELOPMENT

In the table below are the approaches to development from 1950 till date.

DECADE	MAIN DEVELOPMENT APPROACHES
1950s	Modernization theories: all countries should follow the European model. Structuralist theories: Southern countries needed to limit interaction with the global economy to allow for domestic economic growth.
1960s	Modernization theories Dependency theories: Southern countries poor because of exploitation by Northern countries
1970s	Dependency theories Basic needs approaches: focus on government and aid policies should be on providing for the basic needs of the world’s poorest people Neo-Malthusian theories: need to control economic growth, resource use and population growth to avoid economic and ecological disaster Women and development: recognition of the ways in which development has differential effects on women and men
1980s	Neo-Liberalism: focus on the market. Governments should retreat from direct involvement in economic activities. Grassroots approaches: importance of considering local context and indigenous knowledge. Sustainable development: need to balance needs of current generation against environmental and other concerns of future populations. Gender and development: greater awareness of the ways in which gender is implicated in development.

1990s	Neoliberalism Post-development: ideas about 'development' represent a form of colonialism and Eurocentrism. Should be challenged from the grassroots Sustainable development. Culture and development: increased awareness of how different social and cultural groups are affected by development processes.
2000s	Neoliberalism: increased engagement with concepts of Globalization, Sustainable development, grassroots approaches, rights based development.

Source: Willis (2011)

2.5 MEASUREMENT OF DEVELOPMENT

Controversies abound on the measurement of development. In response to this, various scholars have theorized ways in measuring development. Amongst which were Physical Quality of Life Index (PQLI), Human Development Index (HDI) and the Millennium Development Goals (MDGs).

- **Physical Quality of Life Index (PQLI):** This measurement of development was formulated by M.D. Morris in 1979. He combined three component indicators namely infant mortality, life expectancy at birth at age one and basic literacy rate at age 15 in measuring development. This index represents a wide range of indicators such as health, education, drinking water, nutrition and sanitation. The PQLI shows improvement in the quality of life when people enjoy the fruits of economic progress with increase in life expectancy (LE), fall in infant mortality rate (IMR) and rise in basic literacy rate (BLR).
- **Human Development Index (HDI):** The human development index (HDI) was invented by Lord Meghnad Desai and Amartya Sen. It was incorporated by the United Nations Development Programme into its first human development report in 1990. The HDI is a composite of three social indicators (a long and healthy life, knowledge and a decent standard of living). Long and healthy life is measured by life expectancy at birth; knowledge is measured by a combination of adult literacy rate and combined primary, secondary and tertiary enrolment ratio; and a decent standard of living is measured by Gross Domestic Product(GDP) per capita based on purchasing power parity in terms of dollar (PPP$). The HDI using the aforementioned social indicators classified countries of the world into four categories namely very high human development, high human development, medium human development and low human development.
- **Millennium Development Goals (MDGs):** This framework for development was adopted by members of United Nations in September 2000. Since then, the goals have been widely used by multilateral agencies, governments and non-governmental organizations (NGOs), in framing development policies in order to achieve the associated targets by 2015. The goals were outcome of international conferences throughout the 1990s. The goals are:
  i. Eradicate extreme poverty and hunger
  ii. Achieve universal primary education
  iii. Promote gender equality and empower women
  iv. Reduce child mortality
  v. Improve maternal health

vi. Combat HIV/AIDS , malaria and other diseases
vii. Ensure environmental sustainability
viii. Develop a global partnership for development

2.6 HUMAN CAPITAL DEVELOPMENT AND ECONOMIC GROWTH AND DEVELOPMENT.

There is a chain-like connection between human capital development, economic growth and development. Human capital development results in economic growth which lays the foundation for development; economic growth brought by human capital development contributes to development; and development is the end result of human capital development and economic growth.

The findings of Babatunde and Adefabi (2005) revealed that there is a relationship between human capital development and economic growth. In the same vein, Ayara (2003) found out that human capital development via education has a positive growth impact on economic growth. The findings of Odusola (1998) on the relationship between human capital investment and economic growth in Nigeria revealed that the relationship is weak, although positive. He found out that capital spending on education promotes economic growth rather than recurrent spending. According to Oulton (1997), 1% increase in human capital per worker raised the rate of economic growth of total factor productivity by 0.0365%. His finding also suggests an increase in years of education from five years to six years raised growth by 0.73%. Also, Grammy and Assane (1996) investigated new evidence on the effect of human capital on economic growth. They equally found statistically significant relationship between human capital and economic growth.

Human capital development creates and makes available the human resource which produces goods and services of high quality and large quantity that contributes to economic growth which in turn transforms to development. The ultimate mission of human capital development is to enhance and sustain economic growth and development. Human capital development is an ongoing process that involves developing competencies (skills, knowledge, abilities and attitudes) to enable people to make things happen.

As posited by various scholars, it is the human capital or resource that formulates and drives policies which results in economic growth and development. Various development theories and approaches were ways in enhancing economic growth and development. The three concepts of human capital development, economic growth and development are intertwined and positively related. In fact, human capital development makes available the needed personnel to man different positions in government as well as organizations which produce the goods and services that result in economic growth and development. Various findings have affirmed that development brought about by economic growth was contingent on human capital development. The various indices or indicators used in measuring development inclusive of economic growth were all based on the human being hence the categorization of countries according to the level of human development.

Human capital development plays a critical role in enhancing and sustaining economic growth and development. The various government policies of privatization, nationalization, deregulation, etc. which have the potential for contributing to economic growth and development were successful to the extent of human capital developed and available in addition to the environment provided by the government. Economic growth and development will be a mirage if the right persons are not put in the right positions at the right time in government and organizations. The practice of favoritism and ethnicity over merit will do Nigeria no good if economic growth and development is to be enhanced and sustained.

The Administrative Staff College of Nigeria (ASCON), Centre for Management Development (CMD), Nigerian Institute of Management (NIM) and Chartered Institute of Personnel Management of Nigeria (CIPM) among others have been playing useful role in human capital development. The Mandatory Continuing Professional Education Programme (MCPEP), training and development programmes, annual national management conferences, etc. of NIM and CIPM in human capital development in Nigeria are commendable in this wise even though its contribution is not reflected in national statistics.

2.7 RATIONALE FOR HUMAN CAPITAL DEVELOPMENT

The concept of human capital is analogous to other forms of capital in that investments in human capital yield income and other benefits over a long time. An investment in human capital means investing in education or some form of on-the job training to improve workforce quality. Such investments provide returns to the individual as well as to the economy as a whole. The findings of Bakare (2006), who investigated the growth implications of human capital investment in Nigeria, revealed that 1% fall in human capital investment led to a 48.1% fall in rate of growth in GDP output between 1970 and 2000.

The departure of colonialists created a vacuum which required educated personnel to take over government functions. Education paved way for some educated elites to take over rein of government hence it contributes to human capital development by making the needed qualified personnel available when opportunities existed. Nevertheless, the studies of Bratti *et al* (2004), Mustafa *et al* (2005) found a positive relationship between investment in education and economic growth. Investment in human capital through education has substantially increased productivity and economic development (World Bank, 1990; Okojie, 1995; Odusola, 1998) as the East Asian miracle attests to this fact. In the economy of the East Asia, rapid growth was facilitated by the availability of highly skilled domestic engineers and workers who could make productive use of foreign knowledge and imported capital.

Skating over the human resource factor may not only imperil the growth and development process of the nation, it may ground it. In this vein, Adebiyi & Oladele (2005) opined that human resources development ensures that the workforce adapt to new innovations and challenges in its total environment.

The economic rationale for developing and investing in human capital derives from the belief that human capital plays a key role in economic growth and development as well as organizational growth and development.

3.0 METHODOLOGY

The research design used for this study is the survey research method. Primary data were sourced from members of the general public, four public organizations and three private organizations representing 40%, 35.5% and 25.5% of the population. A total of 350 questionnaires were distributed to respondents. Out of the 350 questionnaires distributed, 296 questionnaires representing 15.4% were retrieved while 54 questionnaires representing 15.4% could not be retrieved. The instrument used for data collection was a Five Point Likert attitudinal scale questionnaire. Data collected was analyzed using frequency distribution expressed in percentages (%) and Mean score (X) while chi-square (X^2) statistical technique was used to test the hypotheses formulated for the study.

Any variable whose mean score is greater than an average of 3.00 means it is significant.

4.0 DATA PRESENTATION

TABLE 1: DISTRIBUTION OF QUESTIONNAIRES TO RESPONDENTS

Respondents	No of questionnaires distributed	No of questionnaires retrieved	No. of unretrieved /incomplete
Petroleum Training Institute, Effurun	40	34	6
Warri Refining & Petrochemical	30	26	4
Chartered Institute of Personnel Management	20	17	3
Pipelines and Product Marketing Company, Ekpan	30	26	4
Gazguru Int'l Limited, Warri	30	25	5
Epton Services Limited, Warri	30	25	5
Odogun Nigeria Limited, Warri	30	26	4
Members of the general public	140	117	23
TOTAL	**350**	**296**	**54**

TABLE 2: RESPONSES OF RESPONDENTS TO QUESTIONNAIRE

VARIABLES	SA	A	U	D	SD	Total	Mean ($\bar{X}$)
Human capital development plays a critical role in enhancing economic growth and development.	290 (98%)	5 (1.7%)	---	1 (0.3%)	---	296 (100%)	4.97*
Investment in human capital development will result in improved economic growth and development.	32 (10.8%)	257 (86.8%)	---	7 (2.4%)	---	296 (100%)	4.06*
Economic growth and development can be sustained without human capital development.	---	---	24 (8%)	272 (92%)	---	296 (100%)	2.08
Nigeria has fared very well with respect to human capital development amidst abundant natural resources	---	131 (44.3%)	1 (0.3%)	164 (55.4%)	---	296 (100%)	2.44

Source: Field Survey (2013)

4.1 TESTING OF HYPOTHESES

Hypothesis One:

H_0: Human capital development does not play a critical role in enhancing economic growth and development.

H_1: Human capital development plays a critical role in enhancing economic growth and development.

Table 3: CHI-SQUARE ANALYSIS ON WHETHER HUMAN CAPITAL DEVELOPMENT PLAYS A CRITICAL ROLE IN ENHANCING ECONOMIC GROWTH AND DEVELOPMENT.

Response	Observed Frequency	Expected Frequency	X^2 Cal. Value	df	X^2 Table Value	Level of Sign.	Remark
SA	290	98.6					
A	5	98.6					
D	1	98.6					
Total	296	296	556.9	2	5.991	0.05	Significant

The calculated chi-square value of 556.9 is greater than the chi-square table value of 5.991 at 0.05 level of significance with a 2 degree of freedom. The null hypothesis is rejected while the alternative hypothesis is accepted. Thus, it is concluded that human capital development plays a critical role in enhancing economic growth and development.

Hypothesis Two:

H_0: Investment in human capital development will not result in improved economic growth and development.

H_1: Investment in human capital development will result in improved economic growth and development.

Table 4: CHI-SQUARE ANALYSIS ON WHETHER INVESTMENT IN HUMAN CAPITAL DEVELOPMENT WILL RESULT IN IMPROVED ECONOMIC GROWTH AND DEVELOPMENT.

Response	Observed Frequency	Expected Frequency	X^2 Cal. Value	df	X^2 Table Value	Level of Sign.	Remark
SA	32	98.6					
A	257	98.6					
D	7	98.6					
Total	296	296	384.4	2	5.991	0.05	Significant

The calculated chi-square value of 384.4 is greater than the chi-square table value of 5.991 at 0.05 level of significance with a 2 degree of freedom. The null hypothesis is rejected while the alternative hypothesis is accepted. Thus, it is concluded that investment in human capital development will result in improved economic growth and development.

4.2 SUMMARY AND DISCUSSION OF FINDINGS

On a positive note, the research findings revealed that human capital development plays a critical role in enhancing economic growth and development and that investment in human capital development will result in improved economic growth and development. This is evidenced in the above table with a mean score of 4.97 and 4.06 respectively. Also, it was found out that economic growth and development cannot be sustained without human capital development. The implication of the findings is that for economic growth and development to take place, human capital development and investment on it is a necessity. Nevertheless, it is sad to note that Nigeria has not fared very well with respect to human capital development when viewed against the abundant natural resources available to develop the human resources.

The findings of this study is in agreement with the findings of Bakare (2006), Mustafa et al (2005),Bratti et al (2004), Psacharopoulos & Woodhall,(1997), and Barro (1991) who found out that investment in human capital development plays a positive role in economic growth and that human capital is the driver of economic growth and development. Therefore, development of human capital is a must if Nigeria is to enhance and sustain development and growth of her economy.

The fact that Nigeria has abundant material and human resources is self-evident. Yet the slow pace of economic growth and development in Nigeria has been rather puzzling. The critical role of human capital development in enhancing and sustaining economic growth and development has been affirmed by its recognition and expressed in the various development plans and strategies in Nigeria. Such strategies and plans include the Nigerian First, Second, Third and Fourth National development plans, Nigeria Vision 20:20, , First National Implementation Plan, and National Economic Empowerment Development Strategy (NEEDS), Transformation Agenda.

In Nigeria's attempts to enhance economic growth and development, various development theories and models have been experimented in form of policies. Such policies include privatization, liberalization, nationalization, deregulations, etc. Despite these attempts, indicators reported by United Nations and other organizations showed that Nigeria is still lagging behind in terms of economic growth and development. Nigeria is ranked 153rd out of 186 countries thereby being among countries in the category of low human development with life expectancy at birth of 52.3 years and GNI of $2,102 (UNDP, 2013) and is categorized under lower middle income countries according to World Bank . The problem has been the inability to achieve the necessary breakthrough by utilizing the resources, especially human resources, to substantially improve the standard of living of her citizens.

To grow the Nigerian economy and achieve development, the various critical sectors (manufacturing, agricultural, telecommunication, etc.) and public enterprises (e.g. NNPC, NPA, PHCN, etc.) of the economy requires human capital which needs to be developed and well managed.

Nigeria's population should be utilized as an advantage rather than a disadvantage. Brazil and China had a similar population characteristic being countries with the largest population in Latin America and Asia respectively. Still, they were able to grow their economy and achieve a reasonable level of development. Their secrets lies in productive use of human capital developed and as well as the importation of foreign knowledge and capital.

5.0 CONCLUSION

Human capital development is the total development of the human person as all other resources depend on the human capital for its effectiveness and productivity. Reasons and benefits abound for investment in human capital development. This is the reason why nations and organizations make provision in their budget for human capital development.

For Nigeria to enhance and sustain development, and for human capital to spawn a perceptible impact on economic growth and development, Nigeria needs to invest more in development of its human capital. Also, the human capital been developed through the various institutions of learning as well as vocational training institutions must be given opportunities for the utilization of their skills, knowledge and abilities.

Thus, if an overwhelmingly large number of people in Nigeria are literate, even with simple basic education as being able to read and write, this may open up the minds of the masses and possibly make them more enlightened. These are, of course, some of the essential prerequisites for a large organized production to run efficiently and attain improved development. We need to learn lessons from the Asian tigers as a well-developed human capital base of a nation plays an important role in a nation's developmental prospects.

6.0 RECOMMENDATIONS

From the study, the following recommendations are made with a view to enhancing and sustaining economic growth and development.

1. More priority in terms of resources should be given to human capital development as well as the educational sector. Efforts should be made to increase budgetary allocation to the educational sector to prevent capital flight and brain-drain.
2. Provision of opportunities for the developed human capital to express their talents, creativity and initiatives.
3. The politicization of employment opportunities by the various organs of government (Legislature, Executive and Judiciary) should be checked with the establishment of strong monitoring institutions.
4. Human capital development should be the responsibility of all and not organizations and government alone. Parents and individuals have a role to play.
5. Organizations should place priority in training and retraining of staff.

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