

Use with Sub-Saharan Africa Today, Section 2.2, in your textbook.

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2.2 NIGERIA AND OIL

Compare Nigeria's Oil Revenue and Incomes

Nigeria is one of the top oil-producing nations in the world. Oil and other petroleum products make up 95 percent of Nigeria's exports each year. However, the Nigerian people have not always benefited from the money made through the oil trade. Use the data in the tables to create a graph showing the relationship between the country's oil exports and GDP per capita, an indicator of the people's standard of living.

YEAR	GDP PER CAPITA (Current U.S. Dollars)
1960	103
1970	233
1980	903
1990	301
2000	368

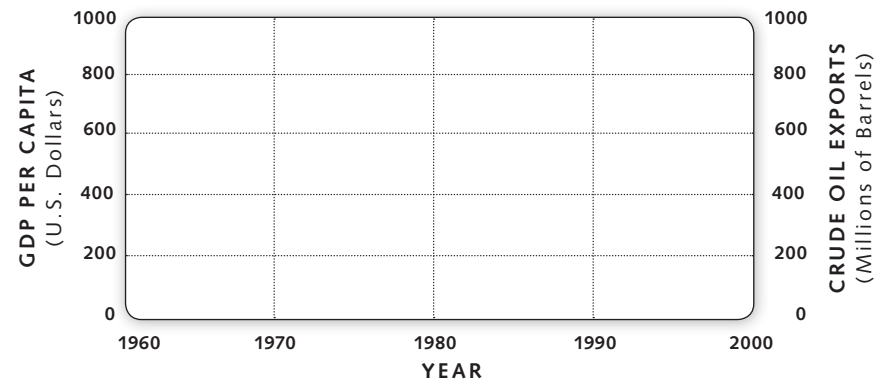
Sources: World Development Indicators Database; CIA World Factbook

YEAR	CRUDE OIL EXPORTS (Barrels)
1960	17 million
1970	383 million
1980	700 million
1990	565 million
2000	790 million

Sources: 1997 and 2008 Annual Statistical Bulletins, Nigerian National Petroleum Corporation

- Create Graphs** Plot the data from the tables on the line graph. Use the left y-axis for GDP per capita and the right y-axis for oil exports.

Oil Exports and GDP Per Capita



- Interpret Graphs** Compare the amount of oil exported in 2000 to that of 1980. How did the GDP per capita compare to the amount of oil exported during this time? What does this suggest about the relationship between Nigeria's oil exports and the standard of living of its people?
- Make Inferences** In the 1970s, the world experienced an energy crisis, in which there was not enough oil. As a result, the price of oil rose greatly. What happened to Nigeria's GDP per capita at the time? Why?
- Draw Conclusions** The price of oil varies depending on its supply and demand. Is it good policy for Nigeria's economy to focus so heavily on oil? Why or why not?