

UNIVERSITY OF PORT HARCOURT



**AN ECONOMIST BOWS OUT WITH
THE SLOGAN DEMAND AND SUPPLY**

VALEDICTORY LECTURE

BY

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PROGRAMME

- 1. GUEST ARE SEATED**
- 2. INTRODUCTION**
- 3. THE VICE-CHANCELLOR'S OPENING
REMARKS**
- 4. CITATION**
- 5. THE VALEDICTORY LECTURE**

The lecturer shall remain standing during the citation. He shall step on the rostrum, and deliver his Valedictory Lecture. After the lecture, he shall step towards the Vice Chancellor, and deliver a copy of the Valedictory Lecture and return to his seat.

- 6. CLOSING REMARKS BY THE VICE-
CHANCELLOR**
- 7. VOTE OF THANKS**
- 8. DEPARTURE**

A valedictory speech is usually connected with saying good bye, especially in a formal occasion. It also means a farewell or parting address by an existing member of a group. The purpose of this lecture is for me to say farewell to colleagues, students and other members of University of Port Harcourt Community after my 35 years' service with this great University.

It gives me great pleasure to be called upon today to give one of this year's Valedictory Lectures Series of the University of Port Harcourt. I am aware that an address such as this is meant to mark the bowing out of a Professor from the University system after offering his or her services to the institution.

The opportunity has come to me 22 years after my elevation to the rank of Professor by the authorities of the University of Port Harcourt. I therefore, thank the Vice-Chancellor from the depth of my heart for giving me the opportunity to present this valedictory lecture today.

ECONOMICS AS A SPECIAL FIELD OF STUDY

Economics is defined in different ways by different people. Tucker (2011), defined economics as the study of how society chooses to allocate its scarce resources to the production of goods and services so as to satisfy individual wants. According to Mayer (2010), economics is defined as how individuals, institutions and society choose to deal with the conditions of scarcity. In the view of Gbosi (2005), economics simply means how we allocate scarce resources among competing uses in order to achieve a given end. Economics is usually regarded as the physics of the Social Sciences. Others call it the Queen of the Social Sciences. Despite these divides, economics is regarded as how societies produce and distribute goods and services and how income and wealth are distributed. Specifically, economics is a science of making choices in a world of scarcity. Even in rich nations like the United States, scarcity is a fundamental part of life. There is not enough time, money and energy to do everything we want to either do or have everything we would love to have. In sum, economics is best defined as the study of how people make choices under conditions of scarcity and the results of these choices for society. The people who study these choices and decisions are called economists. Everybody practices economics on a daily basis.

Historically, economics has been around a long time ago. But it has not been known by that time. The founding father of modern economics is Adam Smith in the year 1776. After Adam Smith, we have other economists like David Ricardo, Thomas Robert Malthus, Alfred Marshall, Karl Marx, John Maynard Keynes and Milton Friedman, (Gbosi 2015). In Nigeria today; we have famous economists like Akpan Ekpo, Mike Obadan, Mike Kwaneshe, Charles Soludo and Ngozi Okonjo-Iweala, etc. You may become one of us after going through this valedictory lecture. Your understanding and hard work will take you to a higher ground. This is your time to become an economist. Your history is in the making. A new chronicle will soon be compiled. There is an ample chance for you to take and make a difference and have a special history as an economist, Gbosi (2013).

Economics is typically divided into two types of analysis. They are called microeconomics and macroeconomics. Microeconomics studies smaller units of the economy. It is like looking through a microscope to focus on the small part of the economy. The word “micro” originated from the Greek word meaning smaller. Microeconomics is primarily concerned with the markets for goods and services. Markets are crucial in the understanding of microeconomics. Whenever buyers and sellers come together to exchange goods or services, a market is created. The behaviour of economic agents in the markets is of particular interest to economists. On the other hand,

Macroeconomics studies larger totals or aggregates of the economy. The word “macro” originated from the Greek word meaning larger. Therefore, macroeconomics studies larger components of the economy such as national income, consumption, investment and Gross Domestic product (GDP). Specifically, macroeconomics deals with the functioning of the economy as a whole. Issues such as the rate of inflation, amount of money in circulation, unemployment and the yearly output growth in the nation. All these fall within the domain of macroeconomics. Output lies at the heart of macroeconomists. Macroeconomists are those who specialize in studying the larger components of the economy, Moss (2014).

WHO IS AN ECONOMIST?

An economist is someone whose work is to study the way in which different economies operate or develop. He or she is an expert who studies the relationship between a society’s resources and its production or output using a number of different indicators in order to produce for today and predict future trend. Specifically, an economist is someone who studies to make decisions in a world of scarcity. He analyzes socio-economic issues and problems with the aid of “Demand and Supply” theories.

Aside Demand and Supply theories, several techniques are used by economists to identify and analyze social problems and recommend alternative solutions, when needed. The relevance of economic skills is evidenced by the employment of economists in large numbers by Government agencies and business firms. More importantly, economists are employed in academic institutions throughout the world today. For example, Professor Gbosi has been teaching in the Department of Economics in University of Port Harcourt since 1987. This is where he earns his living. There are basic economic concepts used by economists in analyzing how different economic systems operate. They include resources, scarcity, choice, opportunity cost, and economic models. We briefly examine each of them.

(1). **Resources:** Resources refer to things that are made use of in the production of goods and services demanded by society. The resources used in the production of goods and services which satisfy human wants are called factors of production. These factors include land, labour, capital and entrepreneurship. They are relevant in our modern economy because without them no goods and services will be available to the society. The efficient utilization of these resources promotes economic growth and development.

(2). **Scarcity:** Scarcity means an inadequate amount of resources relative to the need for them. It is the universal condition that exists because there is not enough-time, money and stuffs to satisfy everyone's needs.

(3). **Choice:** Choice means picking or selecting what one considers the best from a number of alternatives. Since resources are scarce relative to wants, a consumer will make decisions regarding what products to buy and the ones not to buy. Similarly, a producer will decide the goods to produce and the ones not to produce. The Government may decide whether to construct more roads or more rail ways. Here, we see that choices must be made by consumers, producers and the Government in an economy.

(4). **Opportunity Cost:** By opportunity cost, we mean either the desired good or service that is given up to get something else. Every economic decision involves a cost. This is because every decision we make to do something implies a decision not to do one or more things. Since resources are limited, when we decide to buy an item implies that we have decided not to buy other items we would have purchased with the same income. The other item we did not buy is called the opportunity cost of the one bought, Gbosi (2013).

(5). **Economic Models:** The economy is too complex to understand and explain exactly the way it functions. To this effect, economists use some representations to illustrate their ideas. This is done by simplifying things about the way the economy functions in order to explain it. This simplification is what is called an economic model.

Specifically, an economic model is a simplification of the real world. It shows the essential features of either an economic relationship or how a set of relations are explained using diagrams, words or equations. A good economic model explains the world it seeks to explain economic problem clearly and is accepted. A bad economic model is misleading and must be revisited or discarded, Tucker (2011).

THE STORY OF DEMAND AND SUPPLY

The development of modern economics left people with extra time on their hands. They started to think about ideas of how to make their methods more efficient. Then, they found their life more interesting. One important thing they discovered was “Demand and Supply” of things like food, clothes and houses wanted. They were said to demand those things because they were willing to pay somebody to make those things for them.

And a different group of people decided to produce things. Those that produced the things sold/or supply them for a profit to those who want them. Therefore, we can safely say that if

there were no demand and supply, there would not have been “Economics” as a special field of study, Gbosi (2015). Many people when they talk about economics, think first about the slogan Supply equals Demand and its prices. As shown in figure 1, we have a rising supply function intersecting a falling demand function determining equilibrium price and quantity. This simply means that when the price of a commodity is high, the quantity demanded will fall. But when the price falls, the quantity demanded will increase. The price at which the quantity demanded equals the quantity supplied is called the equilibrium price. As shown in the figure 1, point E on the graph is the equilibrium price.

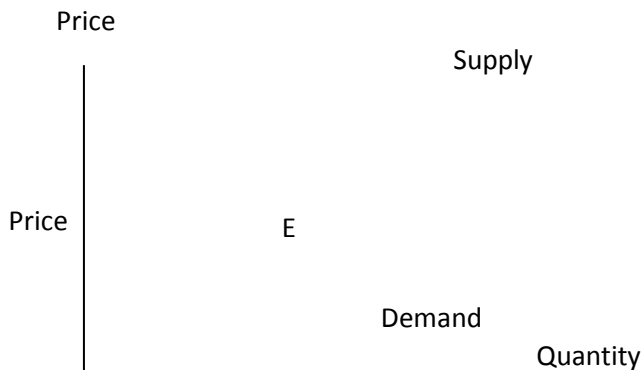


Figure 1: Supply and Demand

Specifically, by supply and demand, we mean a system in economics that deals with what people want and can pay for (effective demand) and what people make (supply). This interaction takes place in the markets. Markets refer to arrangements that bring together buyers and sellers to exchange goods and services. It is important to know that a market exists whenever buyers and sellers are in close contact. It may be a physical location, through either mail or over the internet and sorts. Several conditions must be met in order for markets to function efficiently. Some of the conditions for an efficient market include a large number of buyers and sellers, identical products, perfect information, freedom of entry and exit from the market, minimal government intervention, etc.

Today, several revolutions are taking place in the economic market place all the time. This is because people's desires and needs are also changing. In addition, engineering methods of production are changing. Consequently, supplies of natural resources and other productive factors change from time to time. More importantly, the market place has also registered changes in the price and quantity sold of commodities. Similar trends are also observed with productive services such as tea, sugar and beef, land, labour and machines. The story of demand and supply plays a crucial role in economics. Most of what economists do to earn a living involves predicting the trends in demand and supply chain in the market. The market for every good and service has two sides. They are demand and

supply sides. As earlier mentioned, demand refers to buyers while supply refers to sellers. To deal effectively with economic issues and problems, knowledge of relevant demand and supply conditions is essential. If you want to train an economist, just teach him or her to say “Demand and Supply”, Walcot (2010).

CONTRIBUTIONS OF THE BOWING OUT ECONOMIST TO UNIPORT

Economists all over the world today are engaged in teaching, research and administration in academic institutions, business firms and Government agencies. Here, we focus on the role of an Economist, Augustus Gbosi as a teacher, and researcher at University of Port Harcourt since 1987, as he bows out today. The Nigerian born economist, Augustus Gbosi, joined the services of University of Port Harcourt in 1987 as Lecturer II in the Department of Economics. He was promoted to the rank of full Professor by the authorities of the University of Port Harcourt in 2000. Since then, he has been teaching courses in Economics at both undergraduate and graduate levels. His teaching and research interests cut across many fields within Economics and Finance. They include works in Global Trade Politics and Development Finance, Financial Sector Reforms, Globalization and the Developing World and Chronic unemployment.

Professor Gbosi is a Prolific writer and regular Commentator on global economic and trade issues. He has published over 15 books and more than 80 articles in both local and international journals in these broad areas. He has also been the editor of Nigerian Journal of Monetary Economics, African Journal of international Trade and Development, Book Review Editor of International Journal of Manpower, Bradford, England and served as a Member, Central Bank of Nigeria (CBN) banking sector reforms committee in 2004.

Over the past 35 years, Professor Gbosi had served as a team player of the various fundamental changes in the Department of Economics at the University of Port Harcourt. This can be clearly seen in both the undergraduate and graduate programmes in the Department of Economics today. Professor Gbosi success story first began from 1995-1997 when he was appointed Acting Head of Economics. In both the undergraduate and graduate programmes, he helped in restructuring the B.Sc programme in Economics to fall in line with the National Universities Commission (NUC) bench mark.

When he was appointed the first Nigerian substantive Head of Economics from 2005-2008, his focus was on the development of the graduate programmes. He also helped in restructuring the M.Sc and Ph.D. programmes to meet the NUC bench mark. From 1993 to 2008, Professor Gbosi served as coordinator of

Graduate Programmes in Economics. In recent years, UNIPORT Economics programmes have been judged as one of the best not only in Nigeria but in Africa. This is evidenced by the quality and numerous numbers of Ph.D. graduates produced by the Department. It is important to know that five Professors and two Associate Professors currently teaching Economics courses in the Department are products of UNIPORT Department of Economics. Two Professors from the UNIPORT Finance and Banking Department obtained their Ph.D. degrees in Monetary Economics from the Department of Economics, Uniport. Today, quite a large number of our graduates in Economics have risen to the rank of professor in many Nigerian and African Universities. Apart from teaching, the Department has also produced economists who have found employment in business firms, Government agencies and Consulting firms. Our success story is attributed to cooperation between the Professors and other colleagues in the Department.

To further promote the teaching and research in Economics at UNIPORT, Professor Gbosi in August 2021, donated 125 Economics textbooks including Journals and other related materials to the Department. He also donated 105 text books and journals to the Faculty of Social Sciences. Finally, in February, 2022, the bowing-out Nigerian born economist, Professor A. N. Gbosi donated over 75 text books in economics and related disciplines to the Institute of international Trade and development (IITD), University of Port

Harcourt. All these donations, he believed will promote the teaching and learning of Economics, International Trade and Finance at the University of Port Harcourt, as he bows out today.

LAND MARK ACHIEVEMENT (ESTABLISHMENT OF THE INSTITUTE OF TRADE AND DEVELOPMENT)

Since he joined the services of University of Port Harcourt in 1987, Professor Gbosi had made tremendous contributions to the development of teaching, research and administration. In this unique University, he had also mentored numerous students and teachers as earlier mentioned, many of whom are Professors in the Departments of Economics and Finance and Banking today. However, his greatest gift to UNIPORT is the Institute of International Trade and Development (IITD). The Institute of International Trade and Development (IITD) at University of Port Harcourt, my baby, was established in April 2011. I call it my baby because I knew when the mother was pregnant and the date the baby was born. It therefore, needs no further dramatization that Professor Augustus Gbosi is the founder of IITD at UNIPORT. In the words of Professor Joseph Ajienska, 7th Vice-Chancellor of UNIPORT, Professor Gbosi is the founding Director of the Institute of International Trade and Development. The Institute was established in direct response to the observed related gaps in trade policy processes

in Nigeria and Africa. This is the pioneer Institute directed at trade capacity building for academics and trade professionals in Nigeria. The key areas of intervention of the Institute include:

- Building critical mass of academics to support trade capacity building and sound analysis of complex trade issues as inputs into national, regional and global trade policy processes.
- Building capacity of Government and Government agencies to understand and participate effectively in global trade policy processes.
- Creating research and publishing analysis and opinion on on-going trade issues and
- Providing platform for debate and international collaboration on trade policy issues. Alaba (2017).

The institute has partnership with ECOWAS and UN Agency for Trade and Development. It offers international collaborative graduate programmes in International Trade and Development finance. Specifically, the Institute offers masters in International Trade and Development which features courses in Applied Economics, International Trade Theory and Policy, Development Economics, Regional Economic Integration,

Trade law. The Ph.D. in Trade and Development Finance builds on topics in Microeconomics, Macroeconomics, Development Economics, International Trade and Finance and Regional Economic Integration. The IITD is the first in Africa currently offering Master's and Doctorate Degrees in International Trade and Development Finance. Since its establishment in 2011, the Institute has graduated over 60 MSc and 10 Ph.D. graduates. Many of these graduates have secured employment in the International Monetary Fund (IMF), ECOWAS, EU Trade Commission and other Trade and Development agencies. At the national level, its graduates are working with the Nigeria Export Promotion Council, Ministry of Trade and Investment, Nigeria Export and Import Bank and the Ministry of Foreign Affairs. For example, the current Head of the Procurement Unit of our Vice-Chancellor's office here in UNIPORT holds a Ph.D. in Trade and Development Finance from the IITD. This is attributed to the intellectual ideals of Professor A. N. Gbosi (the Founder of IITD) with full support from Professor Joseph Ajienska during his tenure as the 7th Vice-Chancellor of UNIPORT from 2010-2015. Available records in the Register's office can attest to this claim. Let another person praise you, (Proverbs 27.2). All the graduate programs of the Institute have been approved and recognised by the United Nations Conference on Trade and Development (UNCTAD), the World Trade Organisation (WTO) and other International Trade and Development agencies at the time of Professor A.N. Gbosi's headship.

Today, the IITD has come to stay and has put not only UNIPORT but Nigeria on the global map in the area of International Trade and Development. Let us remember people by what they have done.

CONCLUDING REMARKS AND PARTING THOUGHTS

In the preceding sections of the text, I introduced the reader to the fundamentals of Economics. This was geared towards reviewing the literature relating to the role of economists in the university system. Within the confine of a lecture of this nature, it was not possible to cover every aspect of the subject-matter of economics in detail. Nevertheless, most of the crucial areas of the role of economists in academic institutions have been covered. More importantly, the research methodology has been presented in an elementary way. Therefore, it is hoped that this valedictory lecture can serve as a foundation to support additional research into an extremely fascinating subject like the economic way of thinking about demand and supply analysis.

The analysis has also shown that economists employed in academic institutions, play other key roles in the system apart from teaching and research. For example, like David Ricardo, Professor Augustus N. Gbosi did not only establish a system in

University of Port Harcourt but an institute. The institute of International Trade and Development (IITD) he established in 2011 is one of the flagship institutes that had made the University of Port Harcourt enviable in the committee of universities.

To further promote the teaching and research in Economics at UNIPORT, Professor Gbosi also donated 125 Economics textbooks including Journals and other related materials to the Department, 105 text books and journals to the Faculty of Social Sciences and a total of 75 text books in economics and related disciplines to the Institute of international Trade and development (IITD), University of Port Harcourt.

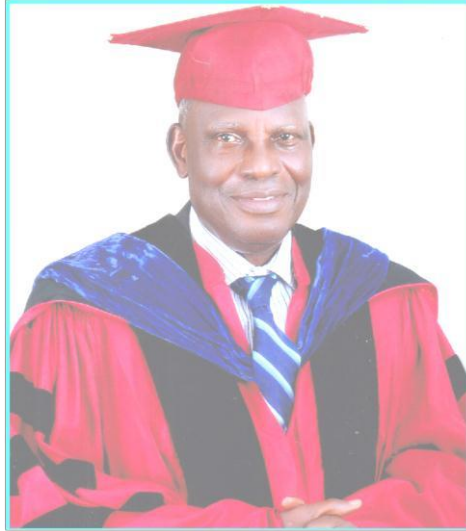
From the discussions, the following recommendations are proposed. First, the University of Port Harcourt should continue with its mandate of transforming the university into an entrepreneurial and innovative University. Second, to ensure continuity, senior academics in the departments should play an active role in mentoring the junior academics. Finally, only experienced persons with relevant knowledge of the Vision and Mission Statements of the various Centres and Institutes should be appointed as directors and their tenure to be at least 5 years. This will enable them to add value to their respective programmes.

Mr. Vice-Chancellor, I have fought a good fight for University of Port Harcourt. I have finished my course. I have kept the faith and I know that there is Crown of Glory waiting for me, and others who have made substantial contributions to Unique UNIPORT.

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**A BRIEF PROFILE ON PROFESSOR
AUGUSTUS NWIYEE GBOSI**



PROFESSOR AUGUSTUS NWIYEE GBOSI

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Northeastern (USA). Professor of Economics

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University of Port Harcourt

Augustus Nwiye Gbosi was born on August 20, 1952 to the family of late chief Andrew Deeyor Gbosi and late Mrs. Neene Fine Gbosi in Luubara in Khana Local Government Area, Rivers State. He is the second child and the only surviving one out of a family of five. He had his primary School education at St. John's Anglican Luubara School and Methodist School,

Mogho Gokana all in OGONI. He started his secondary school education at Niger Grammar School, Port Harcourt in 1967. His secondary school education was later interrupted in 1967 as a result of the Nigerian civil war.

However, in 1968, he continued his secondary school education in Government Rehabilitation School I at Baptist High School, Port Harcourt. Thereafter, he was one of those transferred to Birabi Memorial Grammar School, Bori, to continue his secondary school education from 1969-1972.

After graduation from High School in 1972, he was employed by the Rivers State Ministry of Education as a Tutor and posted to Government Secondary School, Ogu, Okirika. He served in this capacity for 3 years (1973-1975) before proceeding to the United States of America in 1976 for his B.S.c, M.Sc. and Ph.D degree programmes. His late elder brother, Mr Oodee Gbosi helped tremendously in financing his higher education before he gained an International Students' undergraduate scholarship at University of New Hampshire, U.S.A. In 1978, he gained admission for his MS.c. at Northeastern University with a full fellowship. In 1979, he also gained admission for his Ph.D. with a scholarship from the Rivers State Government. The Rivers State Government paid for only one year and he was left alone without funds. Based on his academic performance, the authorities of Northeastern University offered him a teaching fellowship for 3 years. The

fellowship covered his tuition and a stipend of about \$1000 per month. The story of Augustus Gbosi's educational achievements cannot be completed in a page.

Augustus Nwiye Gbosi obtained his B.Sc from University of New Hampshire in 1978, M.Sc. and Ph.D. from Northeastern University on 1979 and 1985, all in the United States of America. He returned to Nigeria in September 1985 and served his one year National Youth Service (NYSC) at the Port Harcourt Refinery in 1986. After the one year national service, he taught briefly at Rivers State College of Education Port Harcourt (now Ignatius Ajuru University of Education). He later joined the services of University of Port Harcourt in October 1987 as Lecturer II in the Department of Economics and rose to the rank of Professor in 2000.

Professor A. N. Gbosi is a specialist in Monetary Economics, Public Finance, Labour Economics and International Trade and Finance. He has to his credit over 105 publications including textbooks and journal articles in both local and international journals. Over the years, Professor Gbosi has supervised more than 200 M.Sc. students and over 100 Ph.D. students. Most of the Students, he Supervised are now Professors in various Nigerian and African Universities. He has also been the Editor of Nigerian Journal of Monetary Economics, African Journal of International Trade and Development and Book Review Editor for International Journal of Manpower, Bredford

England. During the period, 2000-2020, Prof. Gbosi attended and presented papers at various local and international conferences. A onetime UNIPORT Vice-Chancellor described him as a widely admired scholar. Another Vice Chancellor called him a Teacher, Researcher and Administrator with very rich background and diversified teaching experience in many universities in the United States and Nigeria. As a Consultant, Professor Augustus N. Gbosi served as Trade Consultant for the ECOWAS from 2005-2012. He is the founder of the Institute of International Trade and Development (IITD) UNIPORT. The Institute he established in UNIPORT in 2012 is the first in Africa currently offering MSc and PhD. degree programs in International Trade and Development. Professor Gbosi is happily married to Peggy and they are blessed with three children and two grandchildren.

Mr. Vice-Chancellor Sir, I present to you the David Richardo of UNIPORT, the Economist who did not only establish a system but a School, one of the World's leading Trade Economists of the 21st Century and the founding father of IITD, UNIPORT. Here is Professor Augustus Nwiyee Gbosi the Nigerian born Economist bowing out from UNIPORT today with the slogan "DEMAND AND SUPPLY"

Professor Owunari A. Georgewill
Vice-Chancellor