



The Theoretical Underpinning of National Plan in Nigeria

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Abstract

The issue of national development planning is germane to the government and politics of developing countries like Nigeria. That is, developing countries operate a kind of controlled or co-ordinated political economy which is practically based on national development planning. Based on this premise, this paper attempts a perusal of the theory/theories that serves/serve as platform for the adoption and implementation of national development planning in Nigeria. In attempting doing this, the paper adopts the use of documentary method of data collection and that of content analysis for analyzing the collected data. The paper offers recommendations for improvement.

Keywords: Theoretical, Underpinning, National plan, Development & Nigeria

Introduction

The evolution of Nigerian state has passed through two phases, namely; the colonial and post-independence. It has also involved two distinct but interrelated aspects; what to make of the entity which came to be called Nigeria and what to do for the people within it, politically, economically and socially. The indigenous organizations of the communities inhabiting the territory comprised numerous polities of different sizes, types and effectiveness. No single source of political authority commanded common allegiance. Rather, wars and rivalries inhibited the evolution of common political institutions, while cultural diversity complicated the resolution of political conflicts. On the other hand, certain common traditions and economic interests, particularly in trade, tended to promote social interaction. European challenge-religious, commercial and colony created new relationships and stimulated

new adaptations. Thus, these indigenous foundations of Nigeria have critically influenced the course of development.

Nigeria, essentially as an “estate to be developed for trade” in the interest of Britain, the colonial administration was pre-occupied with the economic restructuring of the country in the imperial interest and did not consequently, tackled the more complex issue of political integration. Amalgamation, consequently did not result in the integration of the various parts of the country, thus when independence came, it was under a federal constitution based on three powerful regions (Ademu, 2006).

During the transition to independence, its political leaders took the fact of Nigeria as a political entity for granted and therefore saw their task primarily as that of winning political independence, the key as they

thought to the solution to economic and other problems. These problems tended to be glossed over in the political agitation and debate. Independence however revealed the seriousness of these problems which included those of national identity and integration, the maintenance of law, order and security of life and property, social justice, social welfare and economic progress and even development.

In search for political order it proved easier to make and revise constitutions than to work them successfully. Political and civil crises soon led to military coups, recession and civil war. At the conclusion of the civil war in favour of the united Nigeria, the military regime then faced the problems of reconciliation, rehabilitation and reconstruction and more consciously and consistently adopted policies and programmes directed to issues of national identity, unity and development. Many institutional changes, both practical and symbolic were made. The creation of new states while strengthening the federal government in relation to the states also created more regional centres for spreading development. The introduction of a new uniform local government system rationalized government-local community relationships and brought government even nearer to the people (Adeyemi, 1996).

The adoption of the US-type federal presidential constitution in 1979 did not resolve the problem of pluralism and political indiscipline which compounded by public mismanagement and economic hardship led to the fall of the second republic. The return of the military marked a return to administrative centralization and a frenzied attempt at drilling discipline into the nation. Unfortunately, the basic problems of the Nigerian polity remained

unresolved. Even when the civilian government returned in 1999, the crisis of religion, ethnicity, underdevelopment, illiteracy, diseases and poverty are still prevalent. Thus, the search for viable Nigeria continues.

Conceptual Explication

Planning is a system of economic organization that relies on a rational allocation of resources in accordance with clearly defined goals that are realized through the partial or complete coordination of production, distribution and exchange. This could be direct or indicative. However, in practice, planning systems differ markedly. State socialist regimes developed a system of directive planning oriented around output targets set for all economic enterprises and administered centrally through a hierarchy of party-state institutions. On the other hand, the indicative planning has been use in France, the Netherlands and Japan to supplement or guide the workings of the capitalist economy using the tools of economic management rather than state direction (Beckman, 1982).

Also, planning is the process of making plans for a future event. It's synonymous with organization, arrangement, forethought, design, drafting, working-out, setting-up, groundwork among others. The planning process identifies the goals or objectives to be achieved, formulates the strategies to achieve them, arrange or creates the means required to implement, direct and monitor all steps in their proper sequence (Alavi, 1972).

Planning is decision in advance what is to be done, when and where, how and by whom it is to be done. Planning bridges the gap from where we are to where we want to go. It includes the selection of objectives, policies,

The line with the goal of the development plan, indigenization policy was meant to reverse foreign domination of capital, technology and management in the large enterprises of the sensitive sectors of the Nigerian economy. Indeed, after a decade of uncritical neo-colonialism and regionalism, the bitter lesson of imperialist intrigues against national integration during the civil war and increasing public demands for economic decolonization led to the ambivalent modification of the open door policy on imperialist capital, through the indigenization policy of 1972 and 1977.

The measures taken by the policy involved the establishment of the Nigerian Enterprises Promotion Board (NEPB), the Capital Issues Commission (CIC) and the Nigerian Bank for Commerce and Industry (NBCI) for Nigerian participation in foreign enterprises. The 1972 Indigenisation Decree divided all foreign enterprises into two schedules with Schedule I comprising 22 small-scale commercial enterprises reserved exclusively for Nigerians and Schedule II having 33 ventures that must have 40% Nigerian equity participation.

Launched at the crest of the oil boom, the third national development plan (1975-1980) was initially for a massive expenditure programme of ₦33 billion, more than ten times the size of the second national development plan. It was even later reviewed upwards to ₦42 billion. The plan reaffirmed the national objectives articulated in the second plan, stressing the need for more even income distribution, reduced unemployment, manpower development and economic diversification, balanced development and more effective indigenization. The declared strategy was to use oil resources to create the infrastructure for self-sustaining growth.

The 1977 indigenisation programme increased Schedule I enterprises by 17 and schedule II by 19, while the indigenous equity participation required in them was increased to 60%. A new Schedule III consisting of all enterprises that were not included in Schedule I and II required 40% Nigerian equity participation (Ashiwaju and Areola, 1995). The fourth national development plan (1980-1984), initiated by the military was published during the civilian second republic. It was designed as a continuation on an even greater scale of programmes began in the third plan. The size of the plan was ₦70.6 billion. The profligacy in government expenditure and the deteriorating of oil revenues progressively worsened the economic situation so much so that by the time the military returned in December, 1983, the plan had been practically abandoned (Vincent, 1987).

The new military regime concerned itself with economic damage limitation rather than with a new or refurbished plan. Public expenditure programme were drastically cut and there was a move towards government disinvestment in business. Severe restrictions were placed on imports, including raw materials components and spare parts and the economy continued to decline. Therefore, the military government abandoned development plan to rolling plan in 1990. This rolling plan is a plan designed to continue over a period of time and subjected to regular assessment and review where necessary. Thus, there were three of such in the history of Nigeria; 1990-1993, 1993-1995 and 1995-1998 (National Planning Commission, 2000).

When the civilian took over governance in 1999, the focus was on National Economic Empowerment and Development Strategy

(NEEDS) away from rolling plan which was to run from 2003 to 2007. The main objective of NEEDS was to pursue a strong, virile and goal based economy with adequate capacity to establish externally generated shocks. It was seen as Nigeria's plan for prosperity. NEEDS was put together for the federal government while it is expected that the state and local governments adapt it as State Economic Empowerment and Development Strategy (SEEDS) and Local Economic Empowerment and Development Strategy (LEEDS) respectively.

By 2007 due to assumption of a new president, NEEDS changed into VISION 2020 as a means of bringing about economic development in the country. This Vision 2020 was an aspiration of Nigeria to become one of the top 20 economies in the world by the year 2020. The two broad objectives of the Vision are to :

1. Make efficient use of human and material resources to achieve rapid economic growth, and
2. Translate the economic growth into equitable social development for all citizens.

Ideological Underpinning

The ideological underpinning of development planning in Nigeria could be described as a peripheral capitalist dependent economy and economic generation of mass welfare. From its very beginning, colonial rule was marked by a minimum of direct involvement in the day-to-day lives of the Nigerian people. The only aspects of development which received special official attention were those which directly promoted the metropolitan (British) interests. For the rest, the colonial

government was contented wherever possible to abandon to the "native authorities" all responsibilities for the social and economic well-being of all the people of the areas under their control.

At independence, the ideological and structural foundations of development in Nigeria were already in place for the formation of a dependent economy and the systematic weakening of the nascent capitalist mode of production within it. This weakening involved structural distortions of the economy and a blocked capitalist development. These shortcomings were reflected in the perverse specialization in primary production, poor integration of the sectors of the economy, the excessive size of the eternal sector, unequal exchange in import-export trade, the relative large role of foreign capital controlled by the multinational corporations and the incipient orientation to excessive bureaucratization.

This entrenched peripheral capitalist economy was characterized not only by neocolonialism but also by the following; external dependence, the domination of critical sectors of the economy by foreign capital, the subordination of local to foreign monopoly capital and the ruinous collusion between the domestic petty-bourgeoisie and its imperialist mentors. Also, the state under this social system was no more than a satellite to foreign capital because its political independence was more nominal than real. This was because the domestic bureaucratic bourgeoisie that controlled the client state made itself subsidiary to the imperialist bourgeoisie (Ashiwaju and Areola, 1995).

The constitution of Nigeria recognizes three tiers of government; federal, state and local governments. So a national development

policy incorporates the plan of the three levels of government. The 1999 Nigerian constitution section 16 (1 a-d & 2a-d) is on the economic objective of the country;

16 (1) The state shall, within the context of the ideals and objectives for which provisions are made in this Constitution-

- (a) Harness the resources of the nation and promote national prosperity and an efficient, a dynamic and self-reliant economy;
 - (b) Control the national economy in such manner as to secure the maximum welfare, freedom and happiness of every citizen on the basis of social justice and equality of status and opportunity;
 - (c) Without prejudice to its right to operate or participate in areas of the economy, other than the major sectors of the economy, manage and operate the major sectors of the economy;
 - (d) Without prejudice to the right of any person to participate in areas of the economy within the major sectors of the economy, protect the right of every citizen to engage in any economic activities outside the major sectors of the economy.
- (2) The state shall direct its policy towards ensuring:
- (a) The promotion of a plural and balanced economic development;
 - (b) That the material resources of the nation are harnessed and distributed as best as possible to serve the common good;

(c) That the economic system is not operated in such a manner as to permit the concentration of wealth or the means of production and exchange in the hands of few individuals or of a group; and

(e) that suitable and adequate shelter, suitable and adequate food, reasonable national minimum living wage, old age care and pensions and unemployment, sick benefits and welfare of the disabled are provided for all citizens.

H National Economic Council

18 The National Economic Council shall comprise the following members:

- (a) The vice-president who shall be the chairman;
- (b) The Governor of each state of the federation; and
- (c) The governor of the Central Bank of Nigeria established under the Central Bank of Nigeria Decree 1991 or any enactment replacing that Decree.

19 The National Economic Council shall have power to advise the President concerning the economic affairs of the Federation and in particular on measures necessary for the coordination of the economic planning efforts or economic programme of the various government of the Federation.

In the management of its affairs, Nigeria demonstrated lack of a clear and consistent sense of national purpose. Nigerians seemed unable to articulate the fundamental interests of the state and to clarify for whom and to what ends it was expected to operate.

but mainly because official receipts from agricultural export earnings were buoyant and large reserves were accumulated for several years. In the 1960s, the circumstances of the Nigerian governments were more straitened and the balance of development planning was shifted from welfare to economy, from distributing amenities to promoting growth. The doctrine that welfare could be increased only by becoming more productive survived until about 1973, when the sudden eruption of oil revenue allowed reassertion of intentions to confer social benefits directly. Coincidentally with this last change of fortune, development experts and agencies had become dissatisfied with the indirect “trickling down” of the benefits of economic growth and richer to believe that the direct method of raising mass welfare offered stronger possibilities of success and was somehow constant with greater productiveness. Though the hold of the plans on the private sector is nevertheless slight not only in practice but even in form (Kirk-Greene and Rimmer, 1981).

In a conscious reaction from the stress on delivering welfare in the colonial plans, the first national development plan of 1962 accepted the increase of production as the supreme purpose of development planning. Decisions on use of resources were to satisfy the test of economic profitability wherever possible. This view remained intact in the early years of military rule. Thus, the Guideposts for the second plan published in 1966 after the first coup mentioned the desirability of securing a more equitable distribution of income among persons and of reducing unemployment but expressed no doubt that a high overall rate of growth in economic output would be the first aim of the plan.

The second plan when it appeared in 1970, held a need to achieve the highest possible growth rate in output per head too obvious to require restatement under the heading of social justice was placed as the aspiration of the second plan to create a “just and egalitarian society....reducing inequalities in inter-personal incomes and promoting balanced development among the various communities” (Guidepost, 1966:9). The third plan had a different complexion. Its strategy was described as internalization of the rapid growth of the oil sector subsequent national development plans, the rolling plans, NEEDS, Vision 2020 were in similar direction.

Conclusion

This paper perused the evolution of Nigeria as a colonial product with strong religious, tribal and regional attachment which is prevalent up till today. The paper also discussed the different meanings of planning and development planning as thinking before doing and strategies for sustainable development respectively. That development planning in Nigeria began in the 1940s during the colonial period with different nomenclature; national development plan, rolling plan, NEEDS, Vision 2020 among others based on the peripheral capitalist dependent and economic generation of mass welfare ideologies.

Unfortunately, the different efforts toward development planning in Nigeria are yet to achieve its goals due mainly to weak ideological underpinning and political will. Its therefore, recommended that the ideological base of national development planning in Nigeria be reviewed into an independent viable one with strong political will and patriotism in its implementation.

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