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Abstract: The need for planning is underscored by the fact that resources are scarce and human wants are insatiable. In Nigeria, the need to effectively manage the scarce resources has resulted in development plans that predate independence. However available evidence indicates that the plans have not impacted positively on the lives of majority Nigerians. Relying on secondary sources of data, this paper critically assesses the level to which the National development plans have sustained development in Nigeria.

Keywords: Development Plan, Plan implementation, Financial boost, Revenue, Crude oil.

1. Introduction

The importance of planning and plan implementation in governance cannot be over emphasised. “The need for development planning ... arises largely from the fact that productive resources are scarce”. (Amaechi 2006:119) Four quinquennial National development plans have been launched in Nigeria from 1962 to 1985. These plans were conceived and presented to Nigerians as the “foundation stones upon which future economic and social growth of Nigeria will be based” (Newswatch Oct. 5, 1987:32). The development plans received financial boost in the mid 1970s when the boom in the export of crude oil in Nigeria ensured that funds were readily available to actualise the lofty ideals enunciated in the plans. However, in spite of the abundant crude oil generated revenue, the development plans cannot be said to have sustained development in Nigeria. Sustainable development is defined by the world Commission on Environment and Development (1987:43) as that “development which meets the needs of the present generation without compromising the ability of future generations to meet their own needs.”
The Nigerian society has not come close to the ideal of being just and egalitarian or less dependent on external influences in the production, distribution and consumption of basic goods and services. Reduction of inequality in interpersonal incomes and promotion of balanced development among various communities as promised in the second National development plan (1970 -1974) have remained a mirage. Ikeanyibe (2009) delineates four phases of development planning in Nigeria. These are:

a. The colonial era plans
b. The era of fixed term planning (1962 – 1985)
c. The era of rolling plan (1990- 1998)
d. The new democratic dispensation (1999 till date).

For better elucidation and incisive analysis this paper adopts these categories.

2. Materials and Methods

This paper relies mainly on secondary sources of data as it is not an empirical study. These secondary sources include journals, periodicals and other literature in the relevant field. This paper proceeds by analysing each of the development plans in a bid to ascertain the extent to which these aims and objectives are actualised. It also probes the socio-economic and political situations that either enhanced or impeded plan implementation.

3. The Colonial Era Plans

The first development plan in Nigeria was formulated as a result of the British government programme for the promotion of economic and social advancement of the colonies. This stemmed from the 1940 Colonial Development and Welfare Act which led to the ten year plan of development and welfare for Nigeria 1946– 1956. (www.mongabay.com/history/Nigeria-planning). The plan made provision for a capital expenditure of £55million of which the British government was to provide £23million. The ten year interval was in 1950 broken into two, five year periods thus formulating a new plan for 1951 – 1956. In addition to this, the World Bank sent an economic mission
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to Nigeria in 1953. As a result of this mission economic programmes in Nigeria from 1955 – 1960 were tailored to suit the recommendations of the World Bank Economic Mission (Ojo 2012:447).

The colonial era development plans have been criticised as not involving the people whose interests and welfare the plans were supposed to enhance. Also attempts at centralized planning could not be continued when Nigeria became a federation. Thirdly, the colonial era plans were seen as a series of projects in the area of transport, communication and the introduction of cash crops into Nigeria that were not coordinated or related to any economic target. In addition, it should be noted that the colonial development plans were aimed at enhancing the objectives of the colonial enterprise in Nigeria to wit; the maximisation of profits through effective and efficient exploitation of the human and natural resources in Nigeria. (Ikeanyiibe 2009, Rodney 1969, Obikize and Obi 2004).

4. The Era of Fixed Medium- Term Plans (1962 – 85)

The First National Development Plan (1962-1968)

The First National Development plan was launched in June 1962, with the main objectives of “bringing about a rabid increase in the standard of living of Nigerians”. (Ojo 2012:447). The plan made provision for a total investment portfolio of £2,366million Fifty percent of this amount was expected from external sources. However, only fourteen percent of the external finance was received (Lawal and Oluwatoyin 2011:238). The 1966 coup de tat and eventual commencement of the Nigeria civil war in 1967 terminated the plan. Though some analysts (Lawal and Oluwatoyin 2011, Ojo 2012) regard the First National Development plan as a failure, some notable achievements were made. These include the Port Harcourt refinery, the paper mill at Jebba, the Bacita sugar company and the bridge across the River Niger linking Western and Eastern Nigeria.

The Second National Development plan was launched at the end of a civil war that almost tore Nigeria apart. Attempts were therefore made, not only to address the shortcomings of the First National Development plan but also attend to the yearnings of the people. Thus the planning machinery was enlarged to include the various levels of government, ministries, relevant agencies, the National manpower board and the Federal Office of statistics. Representatives drawn from the Ivory tower and trade unions were also involved while the supreme military council which was the highest policy enunciation and approval body in a military regime was at the helm of both planning and plan implementation. Thus five major objectives were stated to guide the development plan, aimed at establishing Nigeria firmly as:

a. A united, strong and self reliant nation
b. A great and dynamic economy
c. A just and egalitarian society
d. A land of bright and full opportunities
e. A free and democratic society. (Ikeanyibe, 2009)

The plan provided for a total investment estimate of £3.349 million aimed at increasing agricultural productivity, exploration in the growing petroleum industry and boosting the manufacturing industry (Ojo, 2012). Emphasis was also in the area of transport, manpower development, defence, electricity, water supply and provision of social services (Lawal and Oluwatoyin 2011: 238).


The Third National Development plan launched in March, 1975 projected an expenditure of N43.31 billion for the five year period. This plan was considered more ambitious than the second plan (Lawal and Oluwatoyin 2011). This is because it was designed during the period of the huge petro dollar that accrued to the country as a result of the organisation of Petroleum Exporting countries’ (OPEC) increase in crude oil prices. The thrust of the plan was the diversification and indigenisation of the economy, rural development and to revamp agriculture. However, fluctuations in the international oil market led to a shortfall in the expected oil revenue. Thus a significant portion of the
plan was not executed. Only N29.43 billion out of the projected N43.31 billion was spent. This is indicative of unanticipated financial constraint and lack of executive capacity resulting from poor planning and inefficient plan implementation. It also highlights the negative impact of a mono-economy where 90% of government revenue on which development planning is based comes from one source, in this case crude oil. There was also the problem of political instability leading to discontinuity in policy enunciation and epileptic plan implementation. For instance the Operation Feed the Nation (OFN) programme was an eloquent testimony of the commitment to agriculture by the Murtala/Obasanjo regime that overthrew the Yakubu Gowon Administration and midwifed the second National Development Plan (1970 – 1975). However the Green Revolution Programme ushered in by the Shehu Shagari led democratic government failed to build on the achievements of the OFN by transforming its programmes into an agrarian revolution that had the promise of making the country self-sufficient in food production.


The fourth National Development plan had the following objectives:
   a. An increase in the real income of the average citizen.
   b. More even distribution of income among individuals and socio-economic groups.
   c. Increased dependence on the country’s material and human resources.
   d. A reduction in the level of unemployment and underemployment (Lawal and Oluwatoyin 2011:238).


In the 1990s, the government of Nigeria changed the five year plan period to the three year rolling plans. The rolling plans were seen as amenable to periodic reviews and flexible enough to correct errors and inject new ideas for sustained growth. The First National Rolling Plan (1990 – 1992) was undertaken to consolidate the gains of the structural Adjustment Programme aimed at addressing Nigeria’s
balance of payment problem. In this vein, the objectives of the First National Rolling plan were itemised as:

- a. Attainment of higher levels of self sufficiency in the production of food and other raw materials.
- b. To lay a solid foundation for self-reliant industrial development and promoting industrial peace and harmony.
- c. Creating ample employment opportunities
- d. Enhancing the level of socio-political awareness to the public (Amaechi 2006: 120).

The National Rolling plan 1991 – 1993 was a roll over of the plan in order to drop off 1990 and take on 1993. This is in line with the modus operandi of rolling plans. This methodology accommodates completion of projects or dropping of those projects that are no longer deemed viable in the light of available resources or unfolding of socio-political situations. New projects are also taken on to replace dropped or completed ones or as a matter of socio-economic or political contingency. The National Rolling plan 1991 – 1993 prioritises agriculture. In this area, the Agricultural Development Programmes and the River Basin Development Authorities were spread to all the states of the federation. In the area of rural development the Directorate for Rural Roads and Infrastructure (DIFRRI) was established.

9. Who Benefits; The Bourgeoisie, Proletariat or Rural Peasants in Nigeria?

These lofty ideals were not achieved, largely as a result of external influences, which further draw attention to the dependent and external orientation of the Nigerian economy. That the First National Development plan in Nigeria (1962 – 1968) relied on external sources for 50 percent of its funding is instructive. It highlights the dependent nature of the Nigerian economy. It reveals the extent to which neocolonialism had been entrenched in Nigeria and its potency even after independence. It is also indicative of the comprador nature of the bourgeois politicians that formed the post independence government in Nigeria. This comprador bourgeois class shrugged off the radicalism that ensured the success of the Nationalist movements as soon as flag independence was granted. There was no attempt to
radically restructure the economic base of the Nigerian polity to serve the interests of the people. Rather the Nigerian comprador bourgeois class was satisfied with superintending over the vast investments made in Nigeria by the metropolitan bourgeois class of Europe and America. Their dividends were mere crumbs from the ‘masters’ table, as they contributed in the process of developing Europe and America while under developing Nigeria and Africa writ large.

Thus the instability of the oil industry and the inclement international political terrain to a large extent determined the policy thrust of each development plan and the capability to deliver the developmental projects as planned. As Ikeanyibe (2009) put it”, the 1981 production decline from 2.1 million barrels per day that climaxed in less than one million barrels per day by February 1983 started immediately after the launch of the fourth plan in 1981.” It is of interest to this paper that the Structural Adjustment Programme (SAP) was imposed on Nigeria in July 1986 by the International Monetary Fund (IMF) following external debts of about $22billion. Harris (1993) description of the structural Adjustment Programmes is enlightening as it gives an insight to the differential impact of SAP on the various classes and the reasons why the development plans failed to develop Nigeria. According to Harris,

Structural Adjustment Programmes are designed to increase government austerity; to promote free enterprise; to freeze wages; to facilitate foreign investment and profit remittance; to raise interest rates; to curb inflation; and to devalue the country’s currency. (Harris 1993:203).

In Nigeria these measures translated into loss of jobs, withdrawal of welfare packages and subsidy as well as the closure of many businesses as the new exchange rate made it impossible for them to remain in business. For most Nigerians who lost their jobs, or those whose relations or bread winners lost their jobs, it was not only an excruciating experience, it was impoverishing thereby reversing the gains of the developing plans. Thus in spite of the development plans, Nigeria cannot be said to have evolved an egalitarian
society. Despite an abundance of crude oil fuelled revenue, the dichotomy between the rural and urban areas has persisted. The gap between the rich and the poor continues to widen while social services deteriorate and infrastructural facilities decay. This is against the backdrop of increasing revenue accruing to the country. For instance, Nigeria’s Gross Domestic product (GDP) in 1998 was $106 billion and the estimate for 2007 is $294 billion (Soares de Oliveira 2008:44).

It is a generally held view that the level of development in Nigeria is far below expectations. This is more so, when comparisons are made with other underdeveloped countries of Africa and Asia. (Ojo, 2012, Lawal and Oliwatoyin 2011, Ikeanyibe 2009). It is therefore important to know why the large oil wealth that has accrued to Nigeria has made so little impact in terms of development. The problem has remained in the management of the oil resources. As the World Bank revealed in the 1996 poverty assessment in Nigeria, the large increase in revenue from oil occasioned by the Arab oil embargo in 1972 was not managed carefully. Increased revenue resulting from the Iranian revolution in 1978 and Saddam Hussein’s invasion of Kuwait in 1990 were also mismanaged. Much of the oil revenue was consumed by white-elephant projects trying to imitate the physical appearance of ‘development’. These include the billions of Naira spent in the celebration of the festival of Arts and culture (FESTAC) in 1977, the Ajaokuta steel complex which was touted as Nigeria’s stepping stone to industrial revolution but ended up producing no steel. The enormity of the mismanagement of oil revenue that has accrued to Nigeria but in particular those from the above stated windfall comes into clearer relief when we reflect on the fact that crude oil is a depleteable and non-renewable resource (Subroto 1990). Its mismanagement therefore runs contrary to the dictates of sustainable development which aims at satisfying the needs of present generation without compromising the ability of future generations to meet their own needs. Current trends in global oil consumption also draw attention to the heinous nature of the mismanagement. Economists Olivier Blanchard, chief economist of the IMF and Jordi Gali, of the Centre de Recerca en Economia International in Barcelona have compared the impacts of two
recent oil price increases in 1999 and 2002 and concluded that their effect on both inflation and unemployment in the developed world was much smaller in comparison to the 1970s when oil price increases led to stagflation. The economists ascribe this reduction in the impact of oil price increase to the fact that the developed countries have substantially reduced the amount of oil used per unit of output. For instance, the American economy in 2009 was more than twice as large in real terms as in 1980. America’s oil consumption over same period rose only slightly from 17.4mb/d to 17.8mb/d (The Economist 2011:28) This situation portends grave consequences for a mono product economy like Nigeria that depends on oil for 90 percent of her foreign exchange earnings.

The increase in oil revenue in Nigeria caused a commensurate increase of the real effective exchange rate. This in turn, changed the relative profitability of traded goods over non-traded goods. Therefore non-traded goods (exemplified by public services) are encouraged and traded goods production (exemplified by agriculture) is discouraged. That is to say, consumerism is encouraged while production of mostly agricultural products is discouraged. It is in this vein that Nigeria is the largest net importer of rice in the world in spite of the fact that she can grow her own rice. Also about sixty percent of tomatoes grown in Nigeria today are wasted before they ever get to the market. They rot in trucks on their way from Northern Nigeria to the urban centres. Yet tomatoes are imported in various forms into Nigeria on a daily basis (Hargrave, 2012).

Table 4: Comparison of Development indicators in five African countries in 2010.

<table>
<thead>
<tr>
<th>Growth indicators</th>
<th>Nigeria</th>
<th>Gabon</th>
<th>Libya</th>
<th>Egypt</th>
<th>South Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (Millions)</td>
<td>154.7</td>
<td>15.0</td>
<td>6.4</td>
<td>83.0</td>
<td>49.3</td>
</tr>
<tr>
<td>Life Expectancy at birth (years)</td>
<td>48.1</td>
<td>60.9</td>
<td>74.5</td>
<td>70.3</td>
<td>51.6</td>
</tr>
</tbody>
</table>
Who Benefits? The Political Economy Of National Development Plans In Nigeria

<table>
<thead>
<tr>
<th>Infant Mortality Rate (per 100 live births)</th>
<th>85.8</th>
<th>51.5</th>
<th>16.8</th>
<th>18.2</th>
<th>54.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physicians (per 1000 people)</td>
<td>0.4</td>
<td>-</td>
<td>1.9</td>
<td>2.8</td>
<td>-</td>
</tr>
<tr>
<td>Rural Population (% of total population)</td>
<td>50.9</td>
<td>14.5</td>
<td>22.3</td>
<td>57.2</td>
<td>38.8</td>
</tr>
<tr>
<td>Adult literacy rate (% of ages 15 and older)</td>
<td>60.8</td>
<td>87.7</td>
<td>88.9</td>
<td>-</td>
<td>88.7</td>
</tr>
<tr>
<td>Youth Literacy rate (% of ages 15 – 24)</td>
<td>71.8</td>
<td>97.6</td>
<td>99.0</td>
<td>-</td>
<td>97.6</td>
</tr>
<tr>
<td>Mobile Phone subscribers (per 100 people)</td>
<td>47.2</td>
<td>93.1</td>
<td>77.9</td>
<td>66.7</td>
<td>94.2</td>
</tr>
<tr>
<td>Internet users (per 100 people)</td>
<td>28.4</td>
<td>6.7</td>
<td>5.5</td>
<td>20.0</td>
<td>9.0</td>
</tr>
</tbody>
</table>

Source: Adapted from the Little Data Book on Africa (2011)

When the oil revenue fell in Nigeria between 1980 and 1986, the economy was left with a highly capital intensive production structure that could not pay for the new, higher level of imports. In the sphere of agriculture much labour was drawn away from the rural area into the non tradable production by higher wages and job opportunities in the urban area. This led to the collapse of the rural economy and subsequent neglect of agriculture which employs majority of the peasant farmers in rural Nigeria. It is estimated that 80% Nigerians are engaged in rural agriculture.

10. Reasons for Failure of Development Plans in Nigeria

1. Limitation of Executive Capacity: This is brought about by the difference in planning and plan implementation. Though officials by virtue of their positions in the relevant ministries and agencies such as the federal office of statistics are entrusted with the task of making inputs to development plans, they are without any meaningful authority to execute such plans. They do not even superintend over plan
implementation. This has led to under expenditure and plan distortion. Amaechi (2006: 123 - 124) notes that in the First National Development plan (1962 – 1968) there was a shortfall between planned and actual capital expenditure of 42.8 percent in primary production and trade while in industry it was 47.3 percent. On the other hand general administration recorded on over spending of 115.3 percent.

2. Lack of Feasibility study: Perhaps as a result of the popular view of government as the chief provider of goods and services for a people that are largely appetitive but inactive, (Isokun 2001) there was little or no consultation of the general public about their needs and views in development. This absence of feasibility studies has led to an acute paucity and poor quality of information.

3. Absence of Good Governance: Ogundiya (2010: 203) defines governance as “the manner in which power is exercised by governments in the management and distribution of a country’s social and economic resources. The nature and manner of this distribution makes governance a bad or good one. In more than fifty years of independence in Nigeria, military rule has dominated. Military rule is characterized by dictatorship and brooks neither opposition nor criticism. It is under this inclement condition that most of the development plans in Nigeria were enunciated and implemented. The plans therefore suffered from the regimentation and rigidity or inflexibility of military dictatorship.

4. Mono-economy and near demise of Agriculture Expansion in oil prospecting and exploration in the 1970s in Nigeria coupled with the Arab oil embargo of 1973 provided increased revenue to the country. The negative impact of this increase in revenue is that attention was riveted on oil to the detriment of agriculture which prior to the oil boom era, had been the primary source of foreign exchange. When oil prices fell between 1980 and 1986, the agricultural sector had been constrained by the absence of sufficient workers because much labor had left the rural area in search of greener pastures in form of
higher wages and more promising job opportunities in the urban areas.

5. High level of corruption: The windfall in the form of increased revenue from crude oil introduced a wave of corruption in Nigeria. Inflation of contracts became part of the abuse of public office for self aggrandizement. There was also, the over invoicing of imports which enabled the international bourgeois class connive with the Nigerian comprador bourgeoisie to siphon money out of the country. This is in addition to the rampant practice of stowing away public funds in Western bank accounts. Apart from the above stated examples, corruption has assumed various forms in Nigeria, from the highest level of the civil service where “jobs for cash” scams are frequently reported, to the lowest level where messengers ask for gratification before files are moved from one table to the other. These various forms of corruption have had adverse effect on National development planning and plan implementation.

6. Political Instability: Nigeria has witnessed many years of military dictatorship. Military rule in Nigeria witnessed one insurrection in the form of military coup detat to another. These changes in government brought about inconsistency in policy and plan implementation. For instance, the First National Development plan (1962 – 1968) was disrupted by the military coup de tat of 1966 which plunged Nigeria into a bloody civil war. Also, the third National Development plan 1975 – 1980 was disrupted by another coup plot. In addition, there were cases of ethnic intolerance and religious fundamentalism that led to the destruction of public property and social unrest which were impediments to the actualization of development plans. The civil war of 1967-1970 did not only scuttle the first National Development Plan, it set Nigeria back by many years.

7. Ethnic Politics of Exclusion: In Nigeria, such primordial factors as ethnicity and religion determine the location of industries and the choice of state capitals. These are economic decisions that require national thought and decisions based on benefits that accrue there from. Moreover, ethnicity and religion
belong to the superstructural realm of society. Events of the superstructure are largely determined by the substructure, the economic base of society and not the other way round. Positions of authority in Nigeria are not attained on the basis of merit, and individuals achievements. Rather, the “Federal character Principle” as stated in section 14(3) of the 1999 constitution of the Federal Republic of Nigeria has it that; The composition of the Government of the federation or any of its agencies and the conduct of its affairs shall be carried out in such a manner as to reflect the federal character of Nigeria and the need to promote national loyalty thereby ensuring that there shall be no predominance of persons from a few states or from a few ethnic or sectional groups in that government or any of its agencies (Iheriohanma, 2006:101). Though the noble ideals of equity and justice may have been behind the “Federal character Principle”, it tacitly elevates mediocrity over meritocracy and this has contributed to the failure of National Development plans especially in the area of limitation of executive capacity when square pegs are put in inappropriate places.

8. Neglect of Indigenous Technology and Reliance on “transfer of technology”. One of the factors that led to the limited success of the National Development plans is that the plans relied heavily on the belief in “technology transfer”. Thus instead of supporting and building on the iron smelting and the bronze technology for which Awka and Benin were well known, the Federal government of Nigeria embarked on such white elephant projects as the Ajaokuta steel rolling mill, the Peugeot Automobile of Nigeria and the Volkswagon of Nigeria projects, in an attempt to transfer technology. Transfer of technology has remained a mirage large because technology has a cultural bias.

9. Resource constraint: In the First National Development plan, (1962 – 1968) several projects were abandoned as a result of resource constraint. This is because only 14% of funds expected from external sources were made available. Also the Fourth National plan (1981-
1985) and the rolling plans suffered the restriction of scare resources as crude oil prices fell below plan projections. This led to plan distortion.

10. Imperialism: Imperialism has remained the bane of development efforts in the third world and Nigeria is no exception. Such imperialist structures as multinational corporations (MNCs), the United Nations organisation (UNO) the international Monetary Fund (IMF) and foreign aid militate against the development efforts of third world countries. In Nigeria, there has been excessive dependence on multinational corporations in the execution of development projects and even in the extractive industry. The activities of these MNCS have been characterised by tax evasion, excess expatriate quota, bringing used equipment into Nigeria in the name of new ones, dumping obsolete technology. In 2012, Action Aid estimated that Nigeria and other African countries lost about $49billion through tax evasion (Obi:2013:56) MNCS in Nigeria are also involved in employment racketeering where expatriate craftsmen and out right laymen are employed as “specialists” in the fields where they are eventually trained on the job by Nigeria’s whose total emoluments cannot be equated with the “specialists” allowances.

11. Conclusion

This paper is a critical appraisal of the National development plans in Nigeria aimed at highlighting the distinctive features of the development plans that have had differing impacts on the various classes in Nigeria. Though the development plans were presented to the Nigerian populace as the blueprint or master plan that will lead to an egalitarian society where poverty will be ameliorated if not completely eradicated, four National development plans (1962-1985) and the rolling plans (1990-1998) have shown that these claims are mere rhetoric. The gap between the rich and poor people has continued to widen while infrastructural facilities decay. Such factors as imperialism, an economy that is externally oriented and relies heavily on crude oil exports leading to resource constraint in the midst of plenty as well as corruption were found to be responsible for the failure of National development plans in Nigeria.
12. References


