## The Economic Implications of National Development Plans: The Nigerian Experience (1946-2013)

Georgina Obinne Ugwuanyi. Ph.D

Department of Accountancy, Michael Okpara University of Agriculture, Umudike Umuahia, Abia State,

Nigeria.

\* E-mail: ginaugwuanyi2010@yahoo.com.

#### Abstract

This paper reviews the National Development Plans in Nigeria from the period of inception in 1946 to the recent period. At the course of the review, the capital expenditure profile at each period of development plan was examined to weigh the cost-benefit effect - which is the main objective of this research. Being an ex-post-facto research, the data were sourced secondarily and findings include that the National Development Plan were abandoned and in each period of the other development plans, along with their corresponding capital expenditure and allocation. Findings also reveal that no single period of the development plan recorded a fully implemented laid down objectives due to lack of implementable plan. Equally, the research finds that some factors causing failures in the plans include the leaders' inability to transform planned policies to realities, diversion from original focus, and poor budgetary allocation. Conclusively, with the 2013 National Implementation Plan (NIP) instituted recently, there is hope of seeing a planned and totally executed development plan soonest otherwise the Vision 20:2020 through which Nigeria aims at becoming one of the world's leading economies come 2020 is just but a mirage.

Keywords: Development Plans, Capital Expenditure, Planning Commission, Development Programmes.

#### 1. Introduction

The initiative for development planning in Nigeria started at a period earlier than 1946 when the very first one decade of Nigerian development plan (1946 - 1956) was referred to as "were not plans" at all. However, the other stages of the development plans within the period of this research achieved one objective or the other although each stage had its own shortcomings.

Development plan can be viewed in different perspectives. For instance, it can be viewed in the perspective of **Professional Development Plan (PDP)**, which it is a short planning document that examines government Continuing Professional Development (CPD) needs which looks at how these needs might be met, and lists objectives for the future. Such development plan helps to structure and focus the training needs and should address such points as: where am I now? Where am I going? How am I going to get there? Development plan can also be viewed in the perspective of **Individual** or **Personal Development Plan** - which is a development plan that one makes for oneself to achieve something in one's life (eHow, 1999-2014).

Therefore, **Development Plan** can be defined as an aspect of "Town and Country Planning." In the United Kingdom, it comprises a set of documents, which set out the "Local Authorities," policies and proposals for the development and the use of land in their area (eHow, 2012). The development plan guides and informs day-today decisions as to whether or not planning permission should be granted, under the system known as Development Control. Therefore, this study sets out to examine development plans in Nigeria over the past years, their extent of implementation as well as shortcomings that affected their implementation.

#### **RESEARCH OBJECTIVES**

The objectives of this research are:

- To review the development plans that Nigeria has embarked upon from 1946 2013
- To investigate the cost-benefit-effect of the various development plans.
- To examine the extent to which the objectives of each plan have been met.

#### 2. STAGES OF THE DEVELOPMENT PLANS: FROM 1946 – 2013.

Nigerian Development Plans included economic forecasts, policies towards the private sector, and a list of proposed public expenditures. Generally, Plans failed to constitute commitments by public department to spend funds. Although, Nigerian political leaders made decisions about general objectives and priorities for the first plan, foreign economists were the main authors of the actual document. It's authors favoured decentralized decision making by private units, and disregarded the major discrepancies between financial and social profitability, and high economic payoffs from direct productive investments (as opposed to indirect returns from social overheads). They discouraged increased taxes on the wealthy (out of a fear of dampening private incentives), and advocated a conservative monetary and fiscal policy emphasizing a relatively small plan,

openness to foreign trade and investment, and reliance on overseas assistance. Foreign aid was set at one-half of public sector investment. The table below captures development plans in Nigeria from 1946-2013 at a glance.

| Development Plans        | Period          | Objectives/Targets of Plans   |  |
|--------------------------|-----------------|---|--|
| Pre-National             | (i) 1946-1955   | Uncoordinated or unrelated to any overall economic target.  |  |
| Development Era          | (ii) 1955-60-62 |   |  |
| First National           | 1962-1968       | To encourage the assemblage of agricultural produce for export purpose  |  |
| Development              |                 |   |  |
| Second National          | 1970-1974       | Post-war reconstruction, restoring productive capacity, overcoming critical                                     |  |
| Development              |                 | bottlenecks and achieving self-reliance (i.e. meant to achieve a united, just, strong and self-reliant nation). |  |
| Third National           | 1975-1980       | Emphasized the need to reduce regional disparities in order to foster national                                  |  |
| Development              |                 | unity through the adoption of integrated rural development.   |  |
| Fourth National          | 1981-1985       | A civilian government Development Plan which emphasized among other   |  |
| Development              |                 | things the need for balanced development of the different sectors of the  |  |
|                          |                 | economy and of the various geographic areas of the country.   |  |
| Post-fourth Development  | 1985-1987       | Establishment of the Directorate for Food, Roads and Rural Infrastructure                                       |  |
| Plan Period              |                 | (DFRRI) in 1985 for the purpose of providing rural infrastructure in the country side.                          |  |
| Fifth National           | 1988-1992       | To devalue the naira, remove import licenses, reduce tariffs, open the  |  |
| Development Plan         |                 | economy to foreign trade, promote non-oil exports through incentives and  |  |
| 1                        |                 | achieve national self-sufficiency in food production.   |  |
|                          |                 | Later ABANDONED.  |  |
| Three-year Rolling Plan  | 1990-1992       | To reduce inflation and exchange rate instability, maintain infrastructure.                                     |  |
|                          |                 | achieve agricultural self-sufficiency, and reduce the burden of SAP.  |  |
| Era of National Planning | 1992/93- date   | Formulation of medium term and long term economic and development plans   |  |
| Commission of Nigeria    |                 | for the nation-advising Federal government on matters relating to National                                      |  |
| and their Programmes     |                 | Development and overall management of the national economy.   |  |

| Table 1: Summary of the Nigeria | n Development Plans from 1946-2013 |
|---------------------------------|------------------------------------|
|---------------------------------|------------------------------------|

Source: Mongabay, 2000-2013; Olayiwola and Adeleye, 2005 and Coutsoukis, 2005.

#### PRE-NATIONAL DEVELOPMENT ERA

Prior to 1945, the colonial government undertook no serious comprehensive planning. Nigeria's earliest national plans, the 1946 – 1955 Ten-year Plan of Development and Welfare (with plan revisions, 1951-1955 and the 1955-1960 plan (later extended to 1962), were framed by colonial administrators. These development plans of the Pre-National Development Era were regarded by scholars of first plan after independence as "were not plans" in the truest sense of the word ... "but a series of projects which had not been co-ordinated or related to any overall economic target." After 1960, the development planning was enlarged and comprised government policies to achieve national economic objectives, such as accelerated growth and higher levels of average material welfare. This planning affected the policies of such agencies as the Central Bank, State-owned enterprises, the Ministry of Education, Marketing Boards, State-level Departments, and Extension Services (Coutsoukis, 2005).

#### FIRST NATIONAL DEVELOPMENT PLAN PERIOD (1962-1968)

The First National Development Plan (1962-1968) was equally said to be the post-independence plan period. The most important aspects of Nigeria's 1962-1968 Plan were "how the government proposes to raise the money and to recruit the personnel to carry out its objectives." The plan had a total budget allocation of N1,353 million which was 3.7% of the total budget (Olayiwola and Adeleye, 2005). The plan made no clear statement on rural infrastructural development. As agriculture was still an important exchange earner, the plan's objectives were to encourage the assemblage of agricultural produce for export purpose. The plan's main weaknesses were incomplete feasibility studies and inadequate evaluation of projects, accompanied by meager public participation, followed by excessive political intervention in economic decisions. Moreover, insufficient attention was paid to the small indigenous sector, and the machinery for implementing developments in the public sector was unsatisfactory.

#### SECOND NATIONAL DEVELOPMENT PLAN (1970-1974)

This plan targeted at post-war reconstruction, restoring productive capacity, overcoming critical bottlenecks, and achieving self-reliance. There was a replacement cost of physical assets damaged and destroyed in the civil war within the secessionist Igbo area in the southeast (called Biafra) that was estimated above N600 million (then about US 900 million).

It was stated in this plan that government was committed to spending N500,000 for village regrouping. This was perhaps to reduce the cost of providing economic and social infrastructure such as health, electricity, water and educational facilities for the rural areas. The sum allocated to rural development looks too paltry, and generally like the previous ones, the plan failed to introduce any radical package towards rural infrastructural development. The United Nations (UN) Center for Development Planning, Projections, and Policies observed that Nigeria's real growth in GDP between 1970 and 1974 was 12.3 percent per year. The annual target had been only 6.2 percent. Nigerian growth could be explained by factors largely outside the planners' purview... rapid oil industry growth and sharply increasing oil prices (Localhost Data; 1991).

#### THIRD NATIONAL DEVELOPMENT PLAN (1975 – 1980)

This plan emphasized the need to reduce regional disparities in order to foster national unity through the adoption of integrated rural development. The plan was announced in March 29 1975 (Omitusa; 1985:32). The objectives of the plan were similar to those of the second national development but this plan had the vision of a twelvefold increase in the annual rate of public capital expenditure over the previous plan period hence the plan documented the statement: "There will be no savings and foreign exchange constraints during the third plan period and beyond" (Localhost Data; June 1991). The plan documented as outline the plans to expand agriculture, industry, transport, housing, water supplier, health facilities, education, rural electrification, community and state programmes. Hence, the total budget allocation in the third national development plan was thirty-two billion naira (N32,000,000,000) (Olayiwola and Adeleye, 2005).

#### THE FOURTH NATIONAL DEVELOPMENT PLAN (1981 - 1985)

This was a civilian government development plan which emphasized among other things the need for balanced development of the different sectors of the economy and of the various geographical areas of the country. This development plan period was threatened by fall in oil revenues and equally delays in agricultural modernization due to decline in funds in-flow and hence an increase in the quest for imported foods. The decline in exportation weakened the ability to import construction materials and related capital goods thereby reducing growth in the construction, transportation, communications, utilities and housing sectors (Olayiwola and Adeleye, 2005). It was the first plan that contained guidelines making provision for local governments' involvement in planning and implementation although such involvement never worked due to lack of experienced staff.

The plan laid emphases on the need for rural infrastructural development as a means of increasing the standard of living in the rural sector. Hence, the following allocations were made:

- About N924 million naira to the eleven River Basin Development Authorities towards construction of boreholes, dams, feeder roads and jetties.
- Federal and State Government's allocation of N645 million and N700.4 million respectively for electrification purposes.
- For rural water supply schemes, N2,805 million was allocated while the local governments in some states (e.g. Anambra, Plateau, Cross River, Bendel and Borno States) allocated a total of N311,824 million for water projects (Olayiwola and Adeleye, 2005).

Many local governments and various states governments stated numerous policy issues that could enhance the standard of living of the rural dwellers.

The overthrow of Nigeria's second civilian administration, the Second Republic headed by President Shehu Shagari, at the end of 1983 and of the military government of General Muhammadu Buhari in 1985 brought to an end the fourth development plan.

#### POST-FOURTH DEVELOPMENT PLAN (1985 – 1987)

In accordance with the report of Olayiwola and Adeleye (2005), this plan period witnessed the establishment of the Directorate for Foods, Roads and Rural Infrastructure (DFRRI) in 1985 for the purpose of providing rural infrastructure in the country side. The establishment of this Directorate (DFRRI) was backed up by Decree No. 4 of 1987.

The core of the Directorate's programme is the promotion of productive activities. Besides, the directorate recognized the provision of rural infrastructure such as feeder roads, water, electricity and housing as essential for the enhancement of the quality of life in the rural areas.

The programme of the directorate includes: the organization and mobilization of the local people to enhance or facilitate closer interaction between the government and the people. In addition the local communities were

asked to form unions or associations for the purpose of providing common facilities for themselves; the provision of rural infrastructures such as rural feeder roads, rural water and sanitation, rural housing and electrification; the promotion of productive activities such as food and agriculture, rural industrialization and technology; the promotion of other extra curricular activities such as socio-cultural and recreational programmes, intra and inter community cohesion activities. The plan for the implementation of DFRRI programmes was organised into two phases. In phase one, the target was to provide water for 250 communities in each of the states of the federation, to construct 90,000km of feeder roads and to promote rural housing, health and agriculture. To facilitate industrial growth, and improve the attractiveness of the rural environment, the Directorate planned to commence its rural electrification programme in the second phase starting in June 1987.

In pursuit of its objectives, DFRRI also planned to co-operate with organizations like Nigerian Building and Road Research Institute (NBRRI) as well as rural water supply and sanitation programme (RWATSAN). The Directorate for Foods, Roads and Rural Infrastructures (DFRRI) does not get involved in direct implementation of the programmes. Rather, for the purpose of the programme implementation, the directorate uses as its main agents, the states and the local governments, to execute its programme. The funds for the programme of the Directorate are made available directly to each state government who then sees to the disbursement of such fund to the local governments. The local governments in the federation are constituted into rural development committees. These committees embrace the local government officials and the rural communities. Overall, about N433 million was allocated to the Directorate in 1986 for the purpose of implementing its programme. But only N300 million was actually disbursed. In 1987 and 1988, N500 million and N1 billion respectively were allocated to the Directorate.

#### THE FIFTH NATIONAL DEVELOPMENT PLAN (1988 – 1992)

This development plan laid emphases on Structural Adjustment Programme (SAP). Its targets were to devalue the naira, remove import licenses, reduce tariffs, open the economy to foreign trade, promote non-oil exports through incentives, and achieve national self-sufficiency in food production.

The development plan had the vision of improving labour productivity through incentives, privatization of many public enterprises, and different government measures to create employment opportunities. The General Ibrahim Babangida Administration abandoned this fixed-five-year plan in late 1989 for a 3-year rolling plan.

#### THE THREE-YEAR ROLLING PLAN (1990-1992)

The objectives of this plan were to reduce inflation, and exchange rate instability, maintain infrastructure, achieve agricultural self-sufficiency, and reduce the burden of structural adjustment on the most vulnerable social groups. The rolling plan was for the period between 1990 and 1992 with the vision of revising and renewing plans at the end of each year (and inculcating a more comprehensive fifteen-to-twenty-year plan) but the number of years remains the same as the plan rolls forward.

## ERA OF VISIONS, NATIONAL PLANNING COMMISSION OF NIGERIA AND THEIR PROGRAMMES (1992/93 – DATE)

This is an era of formulation of medium term and long term economic and development plans for the nation advising federal government on matters relating to National Development and overall management of the national economy. So many other development plans, programmes or even visions such as vision 2010, vision 2015 and even vision 2020 etc in different areas of life are being made such as are discussed below:

#### THE VISION 2010

This is a vision dreamt of or initiated by Sani Abacha to Nigeria. The vision 2010 Council, a mosaic of 248 sages headed by Ernest Shonekan, was inaugurated on November 27, 1996. The committee's mandate, set out in a 14item Terms of Reference, required it to develop a blueprint that will transform the country and place it firmly on the route to becoming a developed nation by the year 2010 (Egbunike, 2010). On a review of the vision, it was explained that the committee worked for 10 months using the following methodology: plenary sessions, held in the form of 12 workshops, spread over the period; sub committees on particular problem areas; 57 external workshops; specifically commissioned studies; consideration of 750 memoranda from the general public; presentations by guest speakers, and intensive brainstorming among committee members.

#### VISION 2015 - MILLENNIUM DEVELOPMENT GOALS (IN NIGERIA)

This is a vision created by the United Nations. The United Nations foundation is committed to helping the UN achieve the eight Millennium Development Goals by 2015. The MDGs are commitment by the UN to establish peace and a healthy global economy by focusing on major issues like poverty, children's health, empowerment

of women and girls, sustainable environment, disease, and development. Nigeria entirely embraced this vision and is working towards all its objectives.

The eight MDGs call for a Global Partnership for Development. It reflects the fact that the fates of all people and the nations are linked.

These eight MDGs and their individual targets i.e. the Millennium Development Goals are:

Goals 1: Eradicate extreme poverty and hunger: Reduce by half the proportion of people living in less than dollar a day. Reduce by half the proportion of people who suffer from hunger.

Goals 2: Achieve Universal Primary Education - Ensuring that all boys and girls complete a full course of primary schooling.

Goals 3: Promote Gender Equality and Empower Women - Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015.

Goals 4: Reduce Child Mortality - Reduce by two-thirds the mortality rate among children under five.

Goals 5: Improve Maternal Health - Reduce by three quarters the maternal mortality ratio.

Goals 6: Compact HIV/AIDS, Malaria and other diseases - Halt and begin to reverse the spread of HIV/AIDS. Halt and begin to reverse the incidence of malaria and other major diseases.

Goals 7: Ensure environmental sustainability.

Goals 8: Develop a global partnership for development.

#### VISION 20:2020

The Nigerian vision 2020 is a perspective plan - an economic business plan intended to make Nigeria a fully developed economy by the year 2020; that is, the intent of Nigeria in vision 2020 programme is to position Nigeria to become one of the top 20 economies in the world by the year 2020.

To ensure achievement of this objective, an institutional framework responsible for the development and implementation of the vision 2020 was created – a framework consisting of the National Council on Vision 2020 (NCV 2020), the National Steering Committee (NSC); and Stakeholder Development Committee (SDCs).

National Planning Commission and the vision 2020 secretariat was then mandated by the Federal Executive Council (FEC) to produce the vision 2020 plan for launching by the president in October 1st 2009.

The vision commenced by January 2010 (Ahmed, 2009) and the Chairman of the Business Support Group of the Vision is by name - Alhaji Umuru Muttalab, CON. The constitution and inauguration of the Business Support Group (BSG) intended to engender private sector support for the vision 2020 process by the National Steering.

The vision 20:2020 sought to accelerate the pace of the country's growth and development and make it among the world's twentieth economies by the year 2020. Muttalab was of the opinion that for the vision to succeed, the civil service must be carried along. Thus, the government and the institutional organs took steps towards the development of the vision 2020 by making such plans as:

- Provision for the development efforts in the 2009 budget;
- Development of sectoral strategies for the vision by some Ministries, Departments, and Agencies (MDAs);
- CBN financial sector strategy 2020;
- FIRS 2020 strategy;
- Medium Term Sector Strategy (MTSS).

The objectives of the vision 2020 programme are to:

- Stimulate Nigeria's economic growth and launch the country onto a path of sustained and rapid socialeconomic development.
- Place Nigeria in the bracket of top 20 largest economies of the world by the year 2020, with a growth target of not less than \$900 billion in GDP and a per capita of not less \$4,000 per annum.

#### **PROGRAMMES**

In addition to the visions, the National Planning Commission also has what they called **programme**. Under the **programme**, there is what is called the **Transformation Agenda** which is a medium term development strategy to speed up the actualization of the vision 20:2020, and as such for the actualization of the federal government's economic growth agenda during 2011 – 2015. The Agenda is anchored on the pillars and targets of the NV 20:2020 and aims at:

- Creating decent jobs in sufficient quantity to resolve the protracted problem of unemployment and reduce poverty;
- Laying foundation for robust and inclusive growth within the Nigerian economy.
- Improving on a sustainable basis, the well being of all classes of Nigerians regardless of their circumstances and location.

The four areas of focus of the Transformation Agenda are governance, human capital development, infrastructure and real sector (Wikipedia, 2013).

Some of the programs of this National Planning Commission include:

- The National Economic Empowerment and Development Strategy (NEEDS);
- The State Economic Empowerment and Development Strategies (SEEDS); and so on. However, the details of these programmes will not be treated by this research paper.

#### 3. METHODOLOGICAL FRAMEWORK

The approach adopted in this research is an ex-post-facto research design. After gathering the data from secondary sources such as government publications; internet sources, the library of congress studies – CIA world Fact-book, and other relevant secondary sources, each period of the development plans was reviewed focusing more on the capital expenditure profile. Data collected were so presented to showcase the economic involvement in each period of the development plan and to help the research extract its findings and then draw conclusion.

#### 4. DISCUSSIONS

# THE ECONOMIC INVOLVEMENTS IN THE NATIONAL DEVELOPMENT PLANS AND THE ACHIEVEMENT SO FAR (See Table II)

#### TABLE II: THE ECONOMIC INVOLVEMENTS IN THE NATIONAL DEVELOPMENT PLANS

| Development Plans<br>Pre-National<br>Development Plan<br>First National<br>Development Plan | Period<br>(i) 1946 - 55<br>(ii) 1955-60-62<br>1962-1968 | Total Investment<br>Profile (N million)<br>Unrelated to any<br>economic involvement<br>1,353,000 | Federal Government Capital<br>Expenditure (N)<br>-<br>• Plan objectives encouraged<br>assemblage of agricultural<br>produce for export.<br>• No clear statement on rural<br>infrastructural development   | States and LGs Capital<br>Expenditure (N)<br>-   | Private Sector Capital<br>Expenditure (N)<br>-<br>-  |
|---|---|--|---|--|--|
| Second National<br>Development Plan   | 1970-1974   | 2,050,738  | <ul> <li>No arrangement for rural<br/>infrastructural development</li> <li>Flanned for N500,000<br/>village regrouping</li> </ul>   | -<br>South Eastern states<br>(Igbos) N600 million or<br>USD 900 million  | -  |
| Third National<br>Development Plan  | 1975-1980   | 32,854,616   | <ul> <li>N90 million for plan<br/>provided for national rural<br/>electrification.</li> <li>Nine River Basin<br/>Development Authorities<br/>(RBDAS)</li> <li>Dans construction and rural<br/>water boreholes</li> <li>Feeder roads clearing</li> </ul> | <ul> <li>E.g.</li> <li>Oyo State spent<br/>N15.98 million rural<br/>electrification and</li> <li>N31.719 million for<br/>health facilities<br/>towards construction of<br/>150 rural health centres<br/>and 725 health clinics.</li> </ul> |  |
| Fourth National<br>Development Plan   | 1981-1985   |  | <ul> <li>N924 million to be utilized<br/>by River Basin<br/>Development Authorities<br/>(RBDAS)</li> <li>N645 million for<br/>country-wide electrification</li> </ul>   | All states of the<br>federation allocated<br>N700.4 million for<br>electrification of about<br>1600 towns and<br>villages.     Oyo State also allocated  | <ul> <li>N2,805 million for rural<br/>safe drinking water and<br/>rural water supply<br/>schemes.</li> <li>Some LGAs e.g.<br/>Anambra, Plateau, Cross<br/>River, Bendel and Borno</li> </ul> |

|  |   |               |  | N1,642,401 million to<br>various sectors of the<br>economy | states together allocated.<br>N310824 million for<br>water projects. |
|--|---|---------------|--|--|--|
| Post-Fourth<br>National<br>Development Plan<br>and Fifth National<br>Development Plans | <ul> <li>(i) 1985-1987</li> <li>(ii) 1988-1992</li> </ul> | 1,933,000,000 | 1986 N433 million was allocated to<br>DFRPI to implement its programs,<br>only N300 million was disbursed.<br>1987 N300 million to DFRRI<br>1988 N1 billion to DFRRI | -  | -  |
| The Three Year<br>Rolling Plan   | 1990-1992   |               |  |  |  |
| First National<br>Implementation<br>Plan (NIP)   | 2010-2013   | N32 trillion  | N10 trillion   | N9 trillion  | N13 trillion   |

**Source**: (Coutsoukis, 2005; Olayiwola and Adeleye, 2005 and Mongabay, 2000-2013). NV 20:2020, Dec. 2009.In the economic aspect of Nigerian development plans, the pre-national development era were regarded as "were not plans" and as such were not related to any overall economic target or involvement.

On the other hand, during the first national development plan, there were excessive political interventions in economic decisions; and it was noted that the most important aspects of Nigeria's 1962-1968 plan were "how the government proposes to raise the money and to recruit the personnel to carry out its objectives. Such money raised totalled N1,353 million (see table II).

Equally, the Second National Development Plan (1970-1974) experienced post-war reconstruction costs in that N2,050,738 million capital expenditure was allocated and the plan experienced the replacement costs of physical assets destroyed in the civil war with the secessional Igbo Area (South East Nigeria) then called Biafra was estimated beyond N600 million - about nine hundred million US Dollars (US \$900 million) and with a plan of committing N500,000 for village regrouping. It was as well noted that Nigeria's real growth in GDP between 1970 and 1974 to the amazement of the planners was 12.3 percent per year (even when initial annual target was 6.2 percent) due to rapid oil industry growth and hence sharp increase in oil prices.

In the Third National Development Plan (1975-1980) a total of N32,854,616 million capital expenditure was allocated for the purposes as indicated in table II. The economic involvements for the other plans are indicated in the table II as well.

#### DEFECTS IN NIGERIAN DEVELOPMENT PLANS

Although Nigerian developments plans have helped in moving her forward positively, the plans still have various defects:

- Lack of Clear Cut Development Plans: It is needful that Nigeria prioritises her programmes, specifically by looking at cost and benefits of real action that would stimulate an enduring economic development. Nigerian economy suffers because Nigerian leaders lack the ability to transform her planned policies to real actions (Akoma, 2009). Generally, good plans would be laid down but self-interests in policy and decision making most times hinder the good policies implementation. Likewise, series of ideas on how to transform the economy might be provided but they may not be genuine hence the national development plans continued to fail.
- Flaws in the Strategies adopted by the Government, especially in Rural Infrastructural Development Programmes: The synthesis of government activities reveals that during the past few years, series of constructive programmes and far reaching actions were taken by the government to combat rural infrastructural problems, which are far from being solved due to flaws in the strategies adopted by the government such as: (i) using only the development plans as an instruments for programming resource allocations for different sectors of the economy hence failing to recognise the facts that various rural communities having different ecological situations in Nigeria, differ in the nature and degree of their needs (Okafor, 1985); (ii) duplication of programmes between the different tiers of government. For instance, the DFRRI programme established at federal level uses states and LGAs to disburse funds for the implementation of its programmes but separation of the local governments' rural programmes from the DFRRI programmes are always difficult. Sometimes, there is the duplication of programmes between the different tiers of government (Olayiwola and Adeleye, 2005).
- Ultimate Failure due to Diversion from the Original Focus in Addition to Poor Budget Allocation: In the area of agriculture, there were some programmes put in place by the Nigerian Government either wholly or in association with international agencies, in order to enhance rural development in one way

or the other by taking care of objectives such as employment generation, increasing agricultural output and income and, stemming the tide of rural-urban migration. Some of these programmes include: River Basin Development Authorities (RBDAs), the Agricultural Development Programmes (ADPs), the Agricultural Credit Guarantee Scheme (ACGS), the Rural Electrification Scheme (RES) and the Rural Banking Programme (RBP). One cannot say that there were no successes recorded on these programmes, however, many of them ultimately failed due to diversion from the original focus. Good examples are the Rural Banking and the Agricultural Credit Guarantee Scheme, both of which at many stages failed to deliver the desired credit for agricultural and rural transportation because, much of the saving which were mobilized in the rural areas were diverted to urban areas in form of credit/investments.

In the area of food production, there was a steady and significant rise in agricultural production between 1986 and 1993 (CBN, Statistical Bulletin, December, 1998). However, in view of lack of standards for project harmonization and effective mechanisms for co-ordination among the three tiers of government and (DFRRI), the objectives of DFRRI could not be fully achieved. As a result of this, it could not sustain the tempo with which it started and eventually ended up not living up to expectation and eventually become moribund (Okuneye, 2001). This also has to do with poor funding.

Furthermore, there was a serious low budgetary allocation to Agriculture for a period of ten years (1991 – 2000) consecutively. The budgetary allocation (within 1991 – 1998 period) to agriculture in any particular year was never more than 5% of the total budget. It even went to as low as 1.8% in 1994 while the highest was 4.2% in 1991. However, in 1991, 2000 and 2001, it received 5.1%, 1.9% and 2.25% respectively (Adefila and Adeoti, 2005). Hence, these show neglect suffered by the sector in the area of funding. Therefore, to enhance the agricultural output, the sector needs to be better funded (in order to develop simple farm equipment for cultivation, harvesting, processing and storage) so as to bring about a noticeable improvement in its contributions to rural development.

#### 5. SUMMARY AND CONCLUSIONS

In the early period of the National Development Plans (from the beginning to up to 1974), there were no meaningful impact in the national economic development; likewise, there was no serious concern shown by the government towards accomplishing each plan's objectives, nor for rural infrastructural development; not until from third National Development Plans when capital expenditure allocations continued to increase onwards to accomplish some objectives.

When SAP was introduced in the fifth plan which brought about reduction in spending, it coincided with military coup of August 1985, and the fifth plan partly because of the coup, allocated the largest amounts of capital to agriculture and emphasized the need for private investment (Mongabay, 2000-2013).

In the period 1988, the federal budget was still dependent mainly on oil revenue in that the federal government retained 62 percent of the revenue it collected in 1988 while the rest of the funds were distributed to the states and local governments by a formula based on population, need, and to a very limited extent, derivation (Mongabay, 2000-2013).

Even in the era of visions and programmes under National Planning Commissions, the hope of successful visions and programmes are yet to be fulfilled. Hence, the United Nations Industrial Development Organization (UNIDO) has described as an illusion and self deceit, the current efforts being made by the Nigerian government to become one of the world's leading economies by the year 2020, saying that indices showed that the government is only making efforts through statements and no much work (Osewa, 2005-2014).

Conclusively, since the first National Implementation Plan (NIP) has been instituted, with the highest total investment profile of N32 trillion, let's keep expecting a more and factual plans that can translate development plans into a reality.

#### References

Adefila, J.J. and Adeoti, J.O. (2005). Improving Agricultural Budget to Enhance Rural Development in Nigeria.

Ahmed, I. (2009). Nigeria: Aggressive Implementation of Vision 20:2020 Commences January 2010. Daily Trust, Abuja. allafrica.com. Dec. 1.

Akome, C. (2009). "Nigeria Ladies Clear Cut Development Plans." Vanguard Online Edition, July 25.

Coutsoukis, P. (2005). Nigeria Planning: Back to Nigeria.

www.photius.com/countries/nigeria/economy/nigeria\_economy\_planninghtm.The Library of Congress Country

Studies: CIA World Factbook.

- Egbunike, N. (2010). What Happened to Abacha's Vision 2010? Samsung S4 on Konga.com, Nigeria Village Square. Jan. 3. <u>www.nigeriavillagesquare.com</u>.
- eHow Contributor (1999-2014). How to Create a Professional Development Plan. eHow.com, Demand Media, Inc.

Localhost Data (1991) Country Listing:

file://localhost/c:/program%20files%20(x86)opera%2010%20preview/styles/images/top.png.

- Mongabay (2000-2013). Nigeria The Role of Government in the Economy. U.S. Library of Congress. Retrieved on 26/02/2014.
- NV 20:2020 (Dec. 2009). Economic Transformation Blueprint. www.1stocober.com.
- Ojo, O.E. (2012). Constraints on Budgeting and Development Plan Implementation in Nigeria: An Overview. European Journal of Sustainable Development 1, 3, 445-456. ISSN 2239-5938.
- Okafor, F.C. (1985). "Basic Needs in Rural Nigeria" Social Indications Research 17:115-125.
- Okuneye, B. (2001). The Rising Cost of Food/Food Insecurity in Nigeria and its Implications for Poverty Reduction: CBN Economic and Financial Review, Vol. 39, No. 4, pp 92-94.
- Olayiwola, L.M. and Adeleye, O.A. (2005). Rural Infrastructural Development in Nigeria: Between 1960 and 1990 Problems and Challenges. Ile-Ife, Nigeria: Journal of Social Sciences, 11(2): 91-96.
- Omitusa, S. (1985). "Planning and Plan Implementation in Developing Economies: The Nigerian Experience. The Economic Insight. An Annual Journal of the Nigerian Economics Students Association (NESA), OAU Ife.
- Osewa, O. (2005-2014). Nigeria Can't Meet Vision 20-20 Target, says UNIDO Politics Nairaland. Nairaland Forum.
- Wikipedia, the free Encyclopedia (2013). The National Planning Commission of Nigeria. Dec. 23. http://en.wikipedia.org/wiki/National Planning Comm.

The IISTE is a pioneer in the Open-Access hosting service and academic event management. The aim of the firm is Accelerating Global Knowledge Sharing.

More information about the firm can be found on the homepage: <u>http://www.iiste.org</u>

### CALL FOR JOURNAL PAPERS

There are more than 30 peer-reviewed academic journals hosted under the hosting platform.

**Prospective authors of journals can find the submission instruction on the following page:** <u>http://www.iiste.org/journals/</u> All the journals articles are available online to the readers all over the world without financial, legal, or technical barriers other than those inseparable from gaining access to the internet itself. Paper version of the journals is also available upon request of readers and authors.

## MORE RESOURCES

Book publication information: <u>http://www.iiste.org/book/</u>

Recent conferences: http://www.iiste.org/conference/

### **IISTE Knowledge Sharing Partners**

EBSCO, Index Copernicus, Ulrich's Periodicals Directory, JournalTOCS, PKP Open Archives Harvester, Bielefeld Academic Search Engine, Elektronische Zeitschriftenbibliothek EZB, Open J-Gate, OCLC WorldCat, Universe Digtial Library, NewJour, Google Scholar

