

STATE AND IMPLEMENTATION OF THE ECONOMIC RECOVERY AND GROWTH PLAN: TRANSITION FROM POLICY TO PLANLESS STRATEGY

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Abstract

The paper evaluated the contents and substance of the Economic Recovery and Growth Plan and the prospects for stimulating citizen-based development. As part of the grundnorm, the Plan focused on tackling constraints to growth, leveraging on the power of the private sector, promoting national cohesion and social inclusion, allowing markets to function and upholding core values. Therefore, the Plan seeks to stabilize the macroeconomic environment, achieve agriculture and food security, ensure energy sufficiency (power and petroleum products), improve transportation infrastructure and drive industrialization focusing on Small and Medium Scale Enterprises. The paper therefore analyzed the prospect of the new Plan in achieving the stipulated goals of advancing sustainable and autochthonous development. The paper was predicated on the basic propositions extracted from Marxian political economy method of analysis - dialectical materialism. The study scooped data from documentary method. Content analysis and logical induction formed the framework for data analysis. Fundamentally the paper shall pursue the thesis that the disparate economic structure based on received development soothsaying and bestial repudiation of state of being of the recipient nationals and their material conditions have reverted development planning and execution towards satisfying external needs and sacrificing material self reproduction of the citizens. The end product remains recycling of vicious cycle of misery, development imbecility and amputated development conditions. Among others the paper recommends instituting decentralized development models that are regional based and directed towards maximizing human capacity transmutations and inherent communal holdings that are aggregated towards state-based production centers.

Keywords: State, Economic Recovery, Transition, Development, Strategy, Implementation

Introduction

The structure of the Nigerian economy is typical of an underdeveloped country. Over half of the gross domestic product (GDP) is accounted for by the primary sector with agriculture continuing to play an important role. The oil and gas sector, in particular, continues to be a major driver of the economy, accounting for over 95 per cent of export earnings and about 85 per cent of government revenue between 2011 and 2012. The sector contributed

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14.8 and 13.8 per cent to GDP in 2011 and 2012, respectively. It also recorded an increase in reserves from 37.119 billion barrels (bbs) in 2012 from 36.042 bbs in 2011. In contrast, the industrial sector in Nigeria (comprising manufacturing, mining, and utilities) accounts for a tiny proportion of economic activity (6 per cent) while the manufacturing sector contributed only 4 per cent to GDP in 2011. This is despite policy efforts, over the last 50 years, and, in particular, more recently, that have attempted to facilitate the industrialization process.

(Chete, Adeoti, Adeyinka and Ogundele, nd:1).

Nigeria's development efforts have over the years been characterized by lack of continuity, consistency and commitment (3Cs) to agreed policies, programmes and projects as well as an absence of a long-term perspective. The culminating effect has been growth and development of the Nigerian Economy without a concomitant improvement in the overall welfare of Nigerian citizens. Disregard to these 3Cs has resulted in rising unemployment, inequality and poverty. The need for a holistic transformation of the Nigerian State has necessitated a strategy that gives cognizance to these 3Cs (Ministry of Budget and National Planning nd:1) <http://www.nationalplanning.gov.ng/index.php/78-featured/74-article-c>

The Economic Recovery and Growth Plan (ERGP), a Medium-Term Plan for 2017-2020, builds on the SIP and has been developed for the purpose of restoring economic growth while leveraging the ingenuity and resilience of the Nigerian people. It is also articulated with the understanding that the role of government in the 21st century must evolve from that of being an omnibus provider of citizens' needs into a force for eliminating the bottlenecks that impede innovation and market-based solutions. The Plan also recognizes the need to leverage Science, Technology and Innovation (STI) and build a knowledge-based economy. The ERGP is also consistent with the aspirations of the Sustainable Development Goals (SDGs) given that the initiatives address its three dimensions of economic, social and environmental sustainability issues. (ERGP, Ministry of Budget and National Planning, 2017:10).

The indentations stated above are germane and captured the lots of Nigerian political economy. No doubt, Nigerian state, like most states in Africa, is in distress arising from poor, dangerous and defective development strategies adopted by successive political leaderships. As a response to the debilitating economic conditions and leadership failures in Africa, the leaderships adapted and adopted strands of development strategies aimed at redressing the sorry situation. These include: Revised Framework of Principles for the Implementation of the New International Economic Order in Africa (1975-77); The Monrovia Strategy(1979); Lagos Plan of Action (1980);Structural Adjustment Programme (1985-88); African Alternative Framework

to the Structural Adjustment Programme for Socio-Economic Recovery and Transformation (AAF-SAP)(1989); African Charter for Popular Participation(1990); Conference on Security, Development and Cooperation in Africa(CSSDCA); Global Coalition to Attract Financial and Economic Assistance to Africa; The Everything For All By The Year 2000 Initiative; The 2020 Initiative; Copenhagen Social Summit Framework; The Highly Indebted Poor Countries Framework; The Poverty Reduction Strategy Papers; African Economic Community/African Union; The Lome Agreement and presently the New Partnership for African Development (NEPAD) launched in 2001 (Okolie, 2005).

However, these strategies failed to transmute the region out of the woods as incidence of poverty persists and in fact, continues to deepen to seemingly intractable dimension. Worst still, in 2016 Nigeria receded into recession which further vitiated already bad situation thereby necessitating the introduction of the **Economy Recovery and Growth Plan (ERGP)** by the President Muhammadu Buhari Led-administration. The Plan was designed to provide practical and plausible answers to the myriads of problems besetting comprehensive and sustainable development of the polity. The study will therefore examine contents and veracity of the Plan as a master strategy of dealing with the cancerous problems of poverty, dependency and underdevelopment. The paper is however sub-divided into the following: Introduction; Theoretical Perspective; Nigerian State and National Development; Survey of Previous Development Strategies; Programme Framework of the Economic Recovery and Growth Plan; Critique and Conclusion/Prognosis.

Theoretical Perspective

The study is predicted on the basic propositions extracted from the method of analysis as contained in the theory of Marxian political economy. Meanwhile, the general thinking in Marxian literature is that dialectics is a method of thinking and interpreting the world of both nature and society. It is a way of looking at the universe, which sets out from the axiom that everything is in a constant state of change and flux. Indeed, Engels defines dialectics as “the science of the general laws of motion and development of nature, human society and thought.” Indeed, Engels gives an account of the laws of dialectics, beginning with the three most fundamental ones:

- 1) The law of the transformation of quantity into quality and vice versa;
- 2) The law of the interpenetration of opposites, and
- 3) The law of the negation of the negation.

The essential point of dialectical thought is not that it is based on the idea of change and motion but that it views motion and change as phenomena based upon contradiction. Contradiction is an essential feature of all being. It lies at the heart of matter itself. It is the source of all motion, change, life and development. The dialectical law which expresses this idea is the law of the unity and interpenetration of opposites. The third law of dialectics, the negation of the negation, expresses the notion of development. Instead of a closed circle, where processes continually repeat

themselves, this law points out that movement through successive contradictions actually leads to development, from simple to complex, from lower to higher. Processes do not repeat themselves exactly in the same way, despite appearances to the contrary. These, in a very schematic outline, are the three most fundamental dialectical laws. Arising from them there are a whole series of additional propositions, involving the relation between whole and part, form and content, finite and infinite, attraction and repulsion and so on.

Meanwhile, dialectics explains that change and motion involve contradiction and can only take place through contradictions. So instead of a smooth, uninterrupted line of progress, we have a line which is interrupted by sudden and explosive periods in which slow, accumulated changes (quantitative change) undergoes a rapid acceleration, in which quantity is transformed into quality. Dialectics is the logic of contradiction. Marx's dialectical method is predicated on the premise that the ideal mirrors the material world reflected by the human mind, and translated into forms of thought.

Again, given natural stimulants, social phenomena are in a perpetual state of transformation, motion, and change. These changes are instigated by cause(s). Therefore, the fundamental proposition of dialectics is that everything is in a constant process of change, motion and development. Even when it appears to us that nothing is happening, in reality, matter is always changing. Molecules, atoms and subatomic particles are constantly changing place, always on the move. Dialectics is thus an essentially dynamic interpretation of the phenomena and processes which occur at all levels of both organic and inorganic matter. Thus, the contradiction and contradistinction arising from interplay of opposites, lead to further propagation of Hegelian *thesis, antithesis and synthesis*.

Arising from the foregoing, the study makes above deductions:

- State remains a harbinger for development in so far as the efflorescent conditions that aggregate, promote, filter and unleash contradictory ideas conduce into internally-generated qualitative transmutation of the polity;
- The state promotes development **only** when it allows and sustains constant interrogation of **what is**; so as to lay concrete foundation for **what ought to be**;
- The state drives the process of societal transmogrification only when 'what is' results from improvements from 'what was'; and hence dovetails into comprehensive and qualitative value chains from positively contending stimulants;
- The state stimulates rapid and comprehensive transmutations of the polity when development strategies are devolved to communities and minute enclaves; and when the 'people' believe, own, initiate and drive the process of change;
- The state catalyses development if it appreciates the inevitability of change and hence distances and dissociates self from socio-economic rivalries and competition;

- The state that promotes institutionally-based development framework unwittingly de-emphasizes people-propelled all-round transformations and rather entrenches perfunctory, ad hoc, conservative and alien development culture that end up truncating sustainable development;

As a corollary of the above, institutionally-based development strategy leads to glorification of received development models which in turn de-market autochthonous development and subsequently promotes development without change, recycle development despondency and unleash unmasked macabre dance on the polity.

- Finally, in line with the analysis presented by Ezekwesili (2017:3) The Nigerian Problem can only be fixed creditably at this stage through positively disruptive forces that can overthrow the outdated Thinking in our polity. The only way to save Nigeria from failure is through disruption of its politics. A disruptive phenomenon is the only process that can take Nigeria out of the lowest equilibrium trap it has dug into all these decades of political talks.

Nigerian State and National Development

Numerous synoptic conceptions of the state abound in social science literature. Lin (1939) defines the historic state as “a territorial human society which exercises, through a government, supreme coercive power over individuals and groups within it for the purpose of regulating and maintaining a general hierarchy of social values and institutions”. Other scholars who predicated their definitions of state from the materialist standpoint include; Ake (1985:5, 1985b:9); Ibeanu (1998:7-9); Lenin (1976:10) etc. Ake (1985:105, 1985b:9) for instance defines the state:

as a specific modality of class domination; a modality of domination in which class domination is autonomized. By autonomization is meant that the institutional mechanisms of class domination are constituted in a way that they enjoy independence from.... society such that they appear, following Engels (1987), as an objective force standing alongside society.

Meanwhile, Ibeanu (1993) had questioned some of the fundamental arguments of Ake on the State. Meanwhile, the relative validity of the preceding argument is further reinforced by consolidation of the philosophical definition of the state as espoused by classical and medieval political philosophers (Nnoli, 2003:25-30). The above not only unfolds the functional roles of the state but places the state on the trajectory of societal hegemony. Meanwhile, our primary concern is not so much on the traditional organic and mechanic theories on the origin of the state but more on what the state in Africa mean, represent and manifest vis-à-vis development project.

However, in contradistinction and as a counterpoise to general belief of Marxian scholarship that state existed in the primitive communal era; the public power in pre-colonial Igbo Society that gave legitimacy to twin killings, execution of armed robbers, prosecution of inter and intra-communal wars, various human

sacrifices, and consistently endowed in some elders, the right to preside over village/town assemblies and to take binding decisions, was the state. Comparatively, given the critically low level of development of the productive forces, the character of the state in these societies was circumscribed with personal motivations of the political leaderships.

To properly capture the state in Nigeria in its historical context and non-transient materialist foundation, we shall re-conceptualize the state:

as that changing public power and custodian of the totality of instruments, structures, human and non-human elements as well as territorially designated cosmic order and ecological endowment of the given polity. This manifest public power regulates human conduct; through governmental apparatus promotes and enforces shared societal values, norms and customary practices and more importantly enunciates and superintends over behavioural currents and transaction within the defined enclave. Indeed, the character and intensity of these regulatory functions are largely influenced by the level of development of the productive forces. This public power effectively has monopoly use over available coercive instruments and uses same to regenerate itself and bring societal intervention within the specified bounds of order.

Indeed, the basic problem of Nigerian state is not so much with its colonial history but with incongruence in development between the productive forces and social relations of production. Both remain essentially counteracting. While not diminishing or dismissing the saliency of colonialism and neo-colonialism in the explanation of underdevelopment and low development of the state, it is our contention that Nigerian leaders, who appear to enjoy and benefit from the present low development of the state, consistently reproduce development strategies that further vitiate the autonomy of states and hence unleash development of underdevelopment.

Survey of Previous Development Strategies

It is axiomatic to state that the first decade following independence in Nigeria, agriculture was the mainstay of the economy, and hence it provided food and employment for the populace, raw materials for the nascent industrial sector, and generating the bulk of government revenue and foreign exchange earnings. Over the years, Nigeria introduced the first National Development Plan which was associated with import substitution industrialization, (ISI) with the objective of mobilizing national economic resources and deploying them on a cost/benefit basis among contending projects as a systematic attempt at stimulating development (for more on the above, see Chete, Adeoti, Adeyinka and Ogundele, nd:1).

Meanwhile, the Second National Development Plan (1970-74), attempted to improve on the shortcomings of the ISI strategy. Emphasis was placed on the upgrading of local production of intermediate and capital goods for sale to other

industries. This was the first systematic effort to create an industrial structure linked to agriculture, transport, mining, and quarrying. The Second Plan coincided with Nigeria's newly acquired status as a major petroleum producing country. As the economy benefited heavily from enormous foreign exchange inflows, the government embraced ambitious and costly industrial projects in sectors such as iron and steel, cement, salt, sugar, fertilizer, pulp and paper, among others (Oyelaran-Oyeyinka, 1997). Again, the period of the 1970-74 Plan also witnessed a dramatic shift in policy from private to public sector-led industrialization. Industrial planning took place in the public sector which also executed most of the industrial projects as the government invested directly in productive activities.

The 1972 Act on Indigenization of Enterprises Operating in Nigeria resulted in an indigenization policy which was subsequently amended, repealed, and replaced by the Nigerian Enterprises Promotion Act of 1977. The objectives of the policy were to:

- Transfer ownership and control to Nigerians in respect of those enterprises formerly owned (wholly or partly) and controlled by foreigners;
- Foster widespread ownership of enterprises among Nigerian citizens;
- Create opportunities for Nigerian indigenous businessmen;
- Encourage foreign businessmen and investors to move from the unsophisticated spheres of the economy to domains where large investments are required (Chete, *et al*, nd:2)

Furthermore, despite a lack of executive capacity, the country launched the Third National Development Plan (1975-80). The Plan envisaged an investment outlay of 42 billion NGN (up from 3.2 billion NGN of the Second Plan). Emphasis remained on public sector investment in industry, especially heavy industries. With easy access to foreign exchange, private firms opted for investments in the light, low technology consumer industries which were heavily dependent on imported machinery and raw materials. These industrial projects were from the core sectors of the economy and it was expected that their development would stimulate through backward and forward linkages leading to a generation of enterprises, including small firms in response to the ISI strategy (Chete, *et al*, nd:2). Again, the Third National Development Plan failed to advance the course of industrial development in Nigeria in a significantly positive way. The Fourth National Development Plan (1981-85) coincided with the inception of a global economic recession which sparked declining foreign exchange earnings, balance of payment disequilibrium and unemployment in the Nigerian economy. As a result, the hugely import-based manufacturing sector was severely hit. Plummeting world oil prices and dwindling foreign exchange earnings left industries in need of foreign exchange to import new materials and parts.

It was evident at the end of the fourth development decade in Nigeria that existing strategies targeted at industrial development could neither solve the problem of economic underdevelopment nor the social ones created by mass poverty, unemployment, and insecurity of life and property. As a result, the pressure to seek alternative development paradigms had been triggered, not just by technical and

economic imperatives, but also by social considerations. The structural adjustment programme (SAP) was adopted in 1986, as an alternative framework for addressing the weaknesses and ineffectiveness of previous development planning efforts. The objectives of SAP included promoting investment, stimulating non-oil exports and providing a base for private sector-led development; promoting the efficiency of Nigeria's industrial sector; privatizing and commercializing state-owned enterprises to promote industrial efficiency; developing and utilizing domestic technology by encouraging accelerated development and use of local raw materials and intermediate inputs rather than imported ones.

Moreover, Chete et al (nd:3-4) noted that a national science and technology (S&T) policy was formulated and launched in 1986. The objectives of this policy were to increase public awareness in S&T and their vital role in national development and well-being; direct S&T efforts along identified national goals; promote the translation of S&T results into actual goods and services, and to create, increase and motivate output in the S&T community. The S&T policy marked the beginning of the recognition of S&T efforts as a vehicle for successful industrial development in Nigeria. To facilitate the achievement of the 'self-reliance' aspiration of the S&T policy, the Raw Materials Research and Development Council, was established by Decree No. 39 in 1987. The Standards Organisation of Nigeria (SON) was also established for the purpose of ensuring standardization and adequate quality control in industrial production. The S&T policy emphasized the transfer of foreign technology to local firms, via the licensing and registration of patents, trademarks, technical assistance arrangements, research and development, training, and operations. There is little evidence that the S&T policy was successful. Bamiro (1994) and Oyeyinka (1997) among other authors identified some of the plausible reasons for the non-performance of the S&T policy to include fact that:

- S&T Institutions were operating independently of each other, with little or no interactions, leading to duplication of efforts and wastages;
- Narrow base of S&T research which concentrated on R&D;
- Isolation of the manufacturing sector from R&D activities and therefore non-commercialization
- of ideas; and
- Insufficient funding for the S&T sector.

In addition, Chete *et al* (nd: 4) remarks that in 1989, the trade and financial liberalization policy was enacted. A key aim was to stimulate competition among domestic firms and between domestic import-competing firms and foreign firms with the objective of promoting efficiency. The aim was to achieve this through a reduction in both tariff and non-tariff barriers, scrapping the commodity marketing boards and market determination of the exchange rate as well as the deregulation of interest rates, meant to foster financial efficiency and industrial productivity. The National Economic Reconstruction Fund (NERFUND) was set up in the same year as a complement to industrial policy. The objective of the industrial policy was to reverse some of the provisions of the Nigerian indigenization policy, and open up the

economy for foreign investors. NERFUND sought to address the medium- and long-term financial constraints experienced by small- and medium scale entrepreneurs, provide the required financial resources to participating merchant and commercial banks to lend to small- and medium-scale firms and provide naira or foreign denominated loans to participating firms for a period of five to ten years with a grace period of one to three years.

In 1990, the need to link the science, engineering and technology sectors to fit within industrial and economic development endeavours became a key issue among the S&T community in Nigeria. The S&T policy document was consequently revised in 1992 and incorporated the broad objective of vigorously pursuing an S&T infrastructure development programme targeted at accelerating the emergence of endogenous capacity.

The Bank of Industry (BOI) established in 2000, was introduced as a development institution to accelerate industrial development through the provision of long-term loans, equity finances and technical assistance to industrial enterprises. The bank combined the following institutions: the Nigerian Industrial Development Bank (NIDB), the Nigerian Bank for Commerce and Industry, Industrial and Insurance Brokers, and the Leasing Company of Nigeria Limited. The objectives of this bank included providing long-term loans, assisting in employment generation and promoting industrial dispersal of indigenous entrepreneurship. As a complement to the BOI, small and medium industries equity investment scheme (SMIEIS) was also set up in 2000. The objective was to assist in the co-ordination of the scheme with a guideline that 60 per cent of the SMIEIS fund should go to the core real sector.

Despite these efforts to stimulate and diversify the economy, available indices paint a gloomy picture as underdevelopment, despondency; poverty and malnourishment pervade the landscape. This gloomy picture was vividly captured by Ezekwesili (2017:7) as follows:

Should Nigeria with all its potentials still have the kind of low Factor Productivity to be an Economy of merely \$415 billion Gross Domestic Product, \$2500 GDP per capita and in our purchasing power parity \$5, a habitat of more than 61% or over 100 million poor people and overflowing with more than 10.5 million or 50% of the global number of Out-of-School-Children in 2016? Should 11m children be stunted in Nigeria as a result of poor nutrition according to the findings by Federal Ministry of Health? Why is the life expectancy of Nigerians merely 54 years at a time in the world when longevity is tending toward 90 years in places like Singapore because of improved living standards? Why is the literacy level still 59% while Rwanda has progressed to 72% within two decades since the genocide war? Should Nigeria be third largest IDPs with 3.3 million displaced people? “In Nigeria, 37% of children under five years old were stunted, 18 percent wasted, 29% underweight and overall, only 10% of children aged 6-23 months are fed appropriately based on recommended infant and young children feeding practices.

Indeed, it was the concern and the need to redress the orgy scenario that necessitated the introduction of yet another seemingly different programme captioned *Economic Recovery and Growth Plan (ERGP)*.

Programme Framework of the Economic Recovery and Growth Plan

Economic Recovery and Growth Plan (ERGP) for 2017–2020 is largely a response to development failure in Nigeria. The Plan contains critical reforms aimed at diversifying the economy to set it on a path toward sustained and inclusive growth over the medium- to long-term. It is expected that ERGP, if implemented successfully, would lead to expanded transportation infrastructure, the increased reliability of supply of power by restoring financial viability to the power sector, an improved business environment, improved educational attainment, strengthened public institutions, and improved transparency and anti-corruption

As aptly indicated in the Nigerian Economic Recovery & Growth Plan - A renewed hope for Revival? (2017: 7) ‘successive Nigerian governments have over the past decades launched various renewals or recovery plans aimed at boosting or reforming the economy. We have witnessed numerous plans or programmes ranging from the 7-point agenda (2007) of Umaru Musa Yar’Adua’s administration, through the Vision 20-20 (2010), National Industrial Revolution Plan (2014) and the Nigeria Integrated Infrastructure Master Plan (2014) of the Goodluck Jonathan administration, and then to the Muhammadu Buhari government’s Strategic Implementation Plan for the Budget for Change (2016). Whilst these initiatives have achieved varying degrees of success, implementation across board has always been challenging’. Thus, the document noted that in keeping with the above tradition of rolling out economic plans, the Buhari administration published yet another plan, this time a comprehensive economic intervention plan tagged the Economic Recovery and Growth Plan (“ERGP” or the “Plan”). The ERGP, which comes on the heels of Nigeria’s slump into recession for the first time in 25 years and the sharp fall in oil prices from highs of about \$112 a barrel in 2014 to below \$50 in 2016, is targeted at propelling Nigeria back to sustainable, accelerated development and restoring economic growth in the medium term (2017 to 2020). Despite robust provisions of the Plan, there is significant uncertainty in many circles over the prospects of a successful implementation of the Plan, particularly in the absence of clear strategies for the faithful implementation of the initiatives contained in the Plan. (The Nigerian Economic Recovery & Growth Plan - A renewed hope for Revival? 2017: 7, www.templars-law.com)

Based on the above, the Plan pursues sustained inclusive growth that will drive a structural economic transformation with an emphasis on improving both public and private sector efficiency. This is aimed at increasing national productivity and achieving sustainable diversification of production, to significantly grow the economy and achieve maximum welfare for the citizens, beginning with food and energy security. Fundamentally, the Plan desires to encourage the use of science, technology and innovation to drive growth. It also provides a blueprint for the type of

foundation that needs to be laid for future generations, and focuses on building the capabilities of the youth of Nigeria to be able to take the country into the future.

As a corollary of the above, the ERGP pursues the following principles:

- **Focus on tackling constraints to growth.** Economic growth in Nigeria faces various supply constraints including fuel, power, foreign exchange, and business unfriendly regulations. In addition, there is a shortage of requisite skills and appropriate technology necessary to drive growth. This Plan focuses on overcoming and resolving these challenges.
- **Leverage the power of the private sector.** Economic recovery and transformative growth cannot be achieved by the government alone. It is essential to harness the dynamism of business and the entrepreneurial nature of Nigerians, from the MSMEs to the large domestic and multinational corporations to achieve the objectives of this Plan. The Plan prioritizes the provision of a more business friendly economic environment.
- **Promote national cohesion and social inclusion.** Nigerians are the ultimate beneficiaries of more inclusive growth and therefore, the initiatives set out in this Plan are aimed at ensuring social inclusion and the strengthening of national cohesion.
- **Allow markets to function.** The ERGP recognizes the power of markets to drive optimal behaviour among market participants. The Plan prioritises the use of the market as a means of resource allocation, where appropriate. However, the Plan also recognises the need to strengthen regulatory oversight to minimise market abuse.
- **Uphold core values.** The ERGP is rooted in the core values that define the Nigerian society as enshrined in the 1999 Constitution, notably discipline, integrity, dignity of labour, social justice, religious tolerance, self-reliance and patriotism. It requires all citizens and stakeholders to adhere to these principles.

Thus, the ERGP has three broad strategic objectives that will help achieve the vision of inclusive growth outlined above: (1) restoring growth, (2) investing in our people, and (3) building a globally competitive economy.

Restoring Growth: To restore growth, the Plan focuses on achieving macroeconomic stability and economic diversification. Macroeconomic stability will be achieved by undertaking fiscal stimulus, ensuring monetary stability and improving the external balance of trade. Similarly, to achieve economic diversification, policy focus will be on the key sectors driving and enabling economic growth, with particular focus on agriculture, energy and MSME led growth in industry, manufacturing and key services by leveraging science and technology. The revival of these sectors, increased investment in other sectors, less reliance on foreign exchange for intermediate goods and raw materials and greater export orientation will

improve macroeconomic conditions, restore growth in the short term and help to create jobs and bring about structural change.

Investing in the Nigerian People: Economic growth is beneficial for society when it creates opportunities and provides support to the vulnerable. The ERGP will invest in the Nigerian people by increasing social inclusion, creating jobs and improving the human capital base of the economy.

- **Social inclusion.** The Federal Government will continue to provide support for the poorest and most vulnerable members of society by investing in social programmes and providing social amenities. Targeted programmes will reduce regional inequalities, especially in the North East and Niger Delta.
- **Job creation and youth empowerment.** Emphasis is on reducing unemployment and under-employment, especially among youth. The ERGP accordingly prioritizes job creation through the adoption of a jobs and skills programme for Nigeria including deepening existing N-Power programmes, and launching other public works programmes. The partnership for job creation will also focus on the policies required to support growth and diversification of the economy by placing emphasis on Made-in-Nigeria, public procurement which takes account of local content and labour-intensive production processes.
- **Improved human capital.** The Federal Government will invest in health and education to fill the skills gap in the economy, and meet the international targets set under the UN's Sustainable Development Goals (SDGs). The ERGP will improve the accessibility, affordability and quality of healthcare and will roll out the National Health Insurance Scheme across the entire country. It will also guarantee access to basic education for all, improve the quality of secondary and tertiary education, and encourage students to enroll in science and technology courses.

Specified Approaches

As indicated in the ERGP document (2017:10-13) the Plan differs from previous plans in following ways:

1. Focused implementation is at the core of the delivery strategy of the Plan over the next four years. There is a strong political determination, commitment and will at the highest level. Whilst all the MDAs will have their different roles in implementing the Plan, a Delivery Unit is being established in the Presidency to drive the implementation of key ERGP priorities. The Ministry of Budget and National Planning will coordinate plan-implementation and for this purpose will, amongst other things, build up its capability for robust monitoring and evaluation. The Plan outlines bold new initiatives such as ramping up oil production to 2.5mbpd by 2020, privatizing selected public enterprises/assets, and revamping local refineries to reduce petroleum product imports by 60 percent by 2018. Other initiatives include environmental restoration projects in the Niger Delta, which demonstrate the Federal Government's determination to bring environment

sustainability to the forefront of its policies. As part of this Plan, oil revenues will be used to develop and diversify the economy, not just sustain consumption as was done in the past. The economy will run on multiple engines of growth, not just the single engine of oil. The Plan focuses on growth, not just for its own sake, but for the benefits it will bring to the Nigerian people. This Plan also places importance on emerging sectors such as the entertainment and creative industries.

2. The ERGP builds on existing sectoral strategies and plans such as the National Industrial Revolution Plan, and the Nigeria Integrated Infrastructure Master Plan. Rather than re-inventing the wheel, the ERGP will strengthen the successful components of these previous strategies and plans while addressing challenges observed in their implementation.
3. The ERGP shall signal a changing relationship between the public and private sectors based on close partnership. In implementing the Plan. The Government will collaborate closely with businesses to deepen their investments in the agriculture, power, manufacturing, solid minerals and services sectors, and support the private sector to become the engine of national growth and development. In addition, science and technology will be effectively harnessed to drive national competitiveness, productivity and economic activities in all sectors. The current Administration has merged the Budget and Planning functions into one Ministry to create a better and stronger link between annual budgets and the ERGP. This has facilitated the ERGP's preparation process and will also expedite its implementation. It also strengthens the macro framework which underpins the ERGP, ensuring that budgets are properly aligned with planning, thus promoting effective implementation. the ERGP provides for effective collaboration and coordination with the States to ensure that the Federal and State Governments work towards the same goals. The States have a significant role to play in the success of the ERGP and some have already adopted a number of the initiatives being promoted in this Plan. Building a Globally Competitive Economy: Restoring Nigeria's economic growth and laying the foundations for long-term development requires a dynamic, agile private sector that can innovate and respond to global opportunities.
4. ***Investing in infrastructure:*** The ERGP emphasizes investment in infrastructure, especially in power, roads, rail, ports and broadband networks. It builds on ongoing projects and identifies new ones to be implemented by 2020 to improve the national infrastructure backbone. Given the huge capital layout required to address the massive infrastructure deficit in the country, the private sector is expected to play a key role in providing critical infrastructure, either directly or in collaboration with the Government under public private partnership (PPP) arrangements.
5. ***Improving the business environment:*** Nigeria's difficult and often opaque business environment adds to the cost of doing business, and is a disincentive to domestic and foreign investors alike. Regulatory requirements must be

more transparent, processing times must be faster, the overall economy must be more business-friendly. The ERGP will build on the efforts of the Presidential Enabling Business Environment Council (PEBEC) and track progress using the metrics of the World Bank's Doing Business Report. The target is to achieve a top 100 ranking in the World Bank's Doing Business index by 2020 (up from the current ranking of 169).

6. **Promoting Digital-led growth:** To make the Nigerian economy more competitive in the 21st century global economy, its industrial policy must be linked to a digital-led strategy for growth. The ERGP will build on The Smart Nigeria Digital Economy Project to increase the contribution from ICT and ICT-enabled activity to GDP. The overall goals of a digital-led strategy for growth centre on the establishment of an ICT ecosystem in Nigeria. This is enabled through significantly expanding broadband coverage, increasing e-government, and establishing ICT clusters, starting in the SEZs. Government will also drive a programme to build the skills in this sector, focusing on training IT Engineers in software development, programming, network development and cyber security.

Key Execution Priorities

To achieve the objectives of the ERGP, the key execution priorities are:

- Stabilizing the macroeconomic environment
- Achieving agriculture and food security
- Ensuring energy sufficiency (power and petroleum products)
- Improving transportation infrastructure
- Driving industrialization focusing on Small and Medium Scale Enterprises

Based on the foregoing, the Plan as indicated in ERGP (2017:19-20) projects to deliver on the following key outcomes:

- **Stable Macroeconomic Environment:** The inflation rate is projected to trend downwards from the current level of almost 19 per cent to single digits by 2020; and the exchange rate will stabilize as the monetary, fiscal and trade policies are fully aligned.
- **Restoration of Growth:** Real GDP is projected to grow by 4.6 percent on average over the Plan period, from an estimated contraction of 1.54 percent recorded in 2016. Real GDP growth is projected to improve significantly to 2.19 per cent in 2017, reaching 7 per cent at the end of the Plan period in 2020. The strong recovery and expansion of crude oil and natural gas production will result as challenges in the oil-producing areas are overcome and investment in the sector increases. Crude oil output is forecast to rise from about 1.8 mbpd in 2016 to 2.2 mbpd in 2017 and 2.5 mbpd by 2020. Relentless focus on electricity and gas will also drive growth and expansion in all other sectors.
- **Agricultural transformation and food security:** Agriculture will continue to be a stable driver of GDP growth, with an average growth rate of 6.9 per

cent over the Plan period. The Agricultural sector will boost growth by expanding crop production and the fisheries, livestock and forestry sub-sectors as well as developing the value chain. Investment in agriculture will drive food security by achieving self-sufficiency in tomato paste (in 2017), rice (in 2018) and wheat (in 2020). Thus, by 2020, Nigeria is projected to become a net exporter of key agricultural products, such as rice, cashew nuts, groundnuts, cassava and vegetable oil.

- **Power and petroleum products sufficiency:** The ERGP aims to achieve 10 GW of operational capacity by 2020 and to improve the energy mix, including through greater use of renewable energy. The country is projected to become a net exporter of refined petroleum products by 2020.
- **Improved Stock of Transportation Infrastructure:** By placing transportation infrastructure as one of its key execution priorities, effective implementation of this Plan is projected to significantly improve the transportation network (road, rail and port) in Nigeria by 2020. Given the scale of investment required to deliver this outcome, strong partnership with the private sector is expected to result in completion of strategic rail networks connecting major economic centres across the country, as well as improved federal road networks, inland waterways and airports.
- **Industrialized Economy:** Strong recovery and growth in the manufacturing, SMEs and services sectors are also anticipated, particularly in agro-processing, and food and beverage manufacturing. Ongoing strategies to improve the ease of doing business will boost all manufacturing sector activities. Overall, the ERGP estimates an average annual growth of 8.5 per cent in manufacturing, rising from -5.8 per cent in 2016 to 10.6 per cent by 2020.
- **Job Creation and youth empowerment:** The implementation of the Plan is projected to reduce unemployment from 13.9 per cent as of Q3 2016 to 11.23 per cent by 2020. This translates to the creation of over 15 million jobs during the Plan horizon or an average of 3.7 million jobs per annum. The focus of the job creation efforts will be youth employment, and ensuring that youth are the priority beneficiaries.
- **Improved Foreign Exchange Inflows:** The reduction in the importation of petroleum products resulting from improvement in local refining capacity following the implementation of the ERGP is projected to reduce demand for foreign exchange. The economic diversification focus of the Plan is also projected to translate into enhanced inflows of foreign exchange from the non-oil sector.

Critique

The EGRP on face validity appears laudable and holds the key for rapid and sustained transformation of Nigeria's tepid, inchoate and morbid political economy. Based on its avowed determination and commitment to deliver on creating resilience and stable macro-economic environment, restoring economic growth, transforming

the agricultural sector and emplacing food security; as well as promoting power and petroleum products sufficiency, improved stock of transportation infrastructure, industrialize the economy, create jobs and empower the youths, and finally improve foreign exchange inflows; it is expected that the political economy will witness critical revisions and transformations leading to integrated development.

However, a critical examination of the contents, fundamental principles and operational strategies unveil disturbing and recurring decimals. Indeed, the EGRP is a mere regurgitation of previous development frameworks that are attuned toward sustaining neo-liberal development agenda with very low integrative values with autochthonous development stimulants. It is germane to note that the adoption of neo-liberal development framework per se is not directly linked to underdevelopment in developing economies, however, the consistent strategies adopted by the neo-liberal framework in developing economies have consistently failed to transmute the region out of the woods as incidence of poverty persists and in fact, continues to deepen to seemingly intractable dimension. At best these strategies, including the ones embraced by the ERGP have rather made ideologization of development a necessary continuum. Thus, we make the following deductions:

- (1) Following the ideologization of development in Nigeria, successive leaderships confuse development with dominant global mode of production; and unwittingly pursue consolidation of received mode of production in place of development of their respective economies;
- (2) Most development strategies adopted by successive administrations are tainted in ideological confusion. Each subsisting mode of production recommend and foist ideologically-laden development strategy which, at best, help to consolidate a lop-sided mode of production, and slant the entrenchment of competitive social relations of production;
- (3) The ideologically-tainted development strategies discountenance the specificity of local development conditions as well as ecological factors that would have supported the existing local development potentials. Thus development strategies hang in symphony outside the material foundation of the recipient economy;
- (4) As empirically demonstrated in Okolie (2001), the so-called technocrats, experts generally have shallow idea about development potentials/endowments of constituent communities and expectedly end up administering “wrong pills” to the “dying patients”;
- (5) Most of these technocrats are arm-chair theorists who are versed in top-bottom approach to economic development;
- (6) In addition, most of the experts and technocrats are so harassed by poverty that they degenerate to “political praise-singers” who tell the leaders only what they wished to hear;
- (7) More fundamental is that the prescriptions of the ideology of development as enshrined in the ERGP are destined to produce similar result-failure. Solution to Nigerian development crises lie in evolving community-based holdings. These must be based on bottom-top agenda aimed at re-instituting agro-allied

(small and medium scales, arts and crafts) ventures; supported by finances from the political institution; and

- (8) As a corollary of the above, Nigeria must pursue independent and autochthonous economic development strategies that focus on satisfying the domestic needs of the populace, activating technical competence and instituting skills acquisition centres at the grassroots. This must precede further intrusion of the values of the neo-liberal development agenda. (Okolie, 2010c:11-12).

Conclusion

The study evaluated the State and Implementation of the Economic Recovery and Growth Plan: Transition from Policy to Plan less Strategy. Thus, the paper, using the method of analysis derived from the theory of Marxian political economy, assessed the state, analysed the development strategies adopted by successive leaderships in Nigeria, x-rayed the programme framework of ERGP and then appraised the Plan in relation to other preceding development strategies adopted by the Nigerian State. The study noted among others that the Plan and the strategy mirror the cardinal valued of neo-liberal development agenda. We also observed that absence of home-grown strategies for actualizing the mission and vision of a new Nigeria rather unleashes excruciating misery, poverty and peasant mentality which predispose the citizenry to reasoning without thinking; motion without movement and quantity that cannot transmit to qualitative development of the polity. Hence, the following attributes are seeming permanent orientations of Nigerian society:

- Enforces equality of result rather than opportunities;
- Believes in only limited goods. The more your neighbor earns, the less someone else gets;
- Promotes envy rather than admiration of success among the citizens. Hence, the more the poor earns, the more consolidated the jealousy of the relatively rich;
- Emphasizes redistribution of wealth at the expense of creating further wealth;
- Promotes climate of fear, suspicious and intolerance among the social forces;
- Leaders create conditions for instability and political crises and turn back to adopt fire-bridged approach to “avert the implosion”;
- Political leaders create conditions which compel the masses to preoccupy themselves with worshiping images, while the leaders cling on plundering social wealth;
- The masses are made to believe that profit is a sort of theft, and the people who create profit through hard work are constantly marked for destruction;
- The society creates condition for the masses to dream dreams that are far removed from existing objective conditions. They infest the society with the principle of hope; basically, as strategy for promoting deceit and hallucination;
- They create artificial conditions that encourage the masses to worship the very people who obstruct their success and hence, recycle a bleak future; and

- Finally, peasant societies create false consciousness, deceit and glorification of pyrrhic success. It creates unhealthy competition among the people, groups and institutions and equally implants self-defeat, falsehood and limited materialistic instincts within the polity (Okolie, 2012a:42).

Prognosis

Arising from the above analysis, the study agrees with Ezekwesili (2017:8) that 'insanity is doing the **same thing** over and over again, but expecting **different results**'. By adopting development strategies rooted in same and unchanging principles, Nigerian state appears to peasantisation virus which repeats mistakes and yet adopts same mistake templates; no room for change; no room for accepting the inevitability of change and hence no room for leveraging on the gains of contradictions and contradistinction. Therefore, the paper makes the following recommendations:

- In line with the reasoning of Ezekwesili (2017:9) the citizens should call for and supervise a competition of ideas among intellectual groups that can demonstrate to the Nigerian people that they can also enjoy the kind of economic prosperity and wellbeing of their contemporaries in South Korea and Singapore. The strategic combination of a massive population of the impoverished with facts and analysis can help create a new momentum that forces productive kind of debate or talk vastly different from the ones that rage on at the moment without direction.
- Enthroned political leadership that will emphasize production – develop, expand and diversify the productive sector and imbue in the populace the attitude of production rather than distribution.
- Encourage the development of a strong state, with strong institutions that will monitor and advance the new “Nigerian Market” towards competitiveness; while at the same time protecting the weak from the pervasive consequences of emerging trusts, cartels and monopolies. The final goal of all trusts, cartels and monopolies must not be to pauperize the citizens but to utilize the economy of scale towards reduction in prices of commodities; offering employments and advancing the course of corporate social responsibility.
- All development strategies must consider local needs, local conditions and level of development of the productive forces. The consensus, while accepting the basic principles of the liberal and neo liberal development agenda must necessarily aim first at satisfying the consumption needs of the population. Development must be regionalized and coordinated at the national level. FDI should be encouraged only if it is directed at enhancing the basic needs of the people.
- Finally, the consensus should be based on the principle of collective Consensus of all stakeholders. Moreover, henceforth development strategies should be built on the tripod of the village-town-local government bottom-top planning and coordination. Again, the Federation Account should be channeled only for local government-initiated capital projects. After five

years support and weaning period, each local government should be made to assume full responsibility of off-setting recurrent expenditures. More importantly Nigerian consensus must be based on collectivization of agriculture and public-private partnership in “need-based industrialization”.

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