

Policies, Programmes, and Sustainable Development in Nigeria: A Critique

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Abstract

Recent decades have witnessed successive policy development and balancing between real need and growth, on the one hand, and sustainable development policy reform practices, in blending domestic and external expectations preferences, on the other. Beyond these policies and frameworks, some of the concepts of various poverty alleviation programmes and economic development, under different policy/programmes, require a rethink in order to reflect the expected change realities, which these policies were formulated to address. This paper therefore, explores the extent and effectiveness of government copy and paste policies and programmes over the years and whether or not we have learned from the experiences of such programmes.

Key words: Policy, Reform, Sustainable Development, Politics

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1.0. Introduction

The economy has remained blighted for several decades while the central government of Nigeria occupied its commanding heights. There is a need to redraw the boundaries and discipline of policy³ and reforms in order to explore the many core issues of sustainable development weaved around political rhetoric. Also, policy and programmes, paraded by past and successive governments, have continually robbed the dignity of the very poor. Critical review of the different reforms and programmes in Nigeria reveal the same top-down approach to policy formulation and implementation. Although there are different elements to these policies - deregulation, privatisation, commercialisation, cut-back in social sector expenditure, currency devaluation, etc - the combined effect on the masses has been

³ The word 'policy' is not a tightly defined concept but a highly flexible one, used in different ways on different occasions. A number of closely related definitions are:

- A definite course or method of action selected (by government, institution, group or individual) from among alternatives and in the light of given conditions to guide and, usually, to determine present and future decisions (ILRI, 1995).
- A specific decision or set of decisions designed to carry out such a course of action.
- Such a specific decision or set of decisions together with the related actions designed to implement them (ILRI, 1995).
- A projected programme consisting of desired objectives and the means to achieve them (ILRI, 1995).

The essential part of any policy includes:

- Policy objectives. These are the "ends" of a policy and reflect the overall purpose or long-term aim(s); they are what the policy is intended to achieve (e.g. sustainable development, food security etc.).
- Policy instruments. These are the "means" of a policy, the actions used to carry it out and the methods by which its objectives are achieved (e.g. subsidy on farm inputs etc.)

devastating, while the gains enrich only those who belong to the ruling political class and their associates.

The increasing income inequality and livelihood insecurity continues to be the most challenging economic trend facing, especially rural, poor people in Nigeria. The non-farm rural economy also remains perpetually under-development, as do most essential services, which facilitate growth and development of the economy, remain under-serviced. About 65-70% of the population live below the poverty line (Moses, 2004), half of which probably live on less than half a dollar per day. Examples of these essential social services are electricity, roads, health facilities, and educational institutions. The non-farm rural economy is supposed to provide important direct and indirect benefits to rural households, mainly by providing entrepreneurial or wage income, creating markets for locally produced goods and raising the demand for food products. This paper focuses on the effectiveness of government policy/development programmes over the years and whether or not we have learned from the experiences of such programmes, while the discussion explores the openness and reach of these policies and programmes.

2.0 Stock of Government Policies/Programmes

The government of Nigeria has never been in short supply of policies/programmes or reforms aimed at alleviating the failing economy and livelihood insecurity over the past four decades, but never at anytime have they been successful. Policy/programmes such as the structural adjustment programme (SAP), Poverty Reduction Strategy Paper (PRSP), The National Economic Empowerment and Development Strategy (NEEDS), State Economic Empowerment and Development Strategies (SEEDS), and other specific reforms associated with poverty alleviation and sustainable development as interventionist over the years, have failed to deliver the expected

results needed to deal a substantial impact on poverty and livelihood insecurity.

The major flaws in these policy reforms and programmes, developed over the years, as intervention for poverty reduction and livelihood security, hinges on corruption, politics, and other vices such as lack of continuity, a weak private sector to augment such policy/programmes, an absence or lack of due process, and ethnic and political divides in the body polity of Nigerian economic development. Is it the case, perhaps, that those hoisting the banner of false reforms are not aware of the broader implications and consequences of such reforms on sustainable development?

Policies/programmes in Nigeria are fraught with pitfalls, such as the absence of consistent enabling framework/regulations on infrastructure finance and funding of small and medium enterprises, especially transportation-rail networks and power supply, that support any development effort that delivers multiplier effects on other sectors within the country, weak institutions/market infrastructure to regulate business activities and enforce contracts and commercial transactions, issues relating to transparency and good corporate governance, poor accountability, and perennial misappropriation of public funds added to an unpredictable political and social environment.

Most policies and programmes in Nigeria are deliberate policy or programme choices based on political mechanisms, oversight, neglect, and usually lacking in appropriate information. For example, reforms at the macro scale in the banking industry will definitely have far-reaching consequences, but that depends on the ability of financial decision makers to expand lending and spur productivity in the informal and private sector, which consists mostly of the poor. Also, while rationalisation and monetisation of public sector benefits, such as the elimination of fuel subsidies, might help curb excessive government expenditure, not providing adequate alternatives or appropriately deploying the savings to cushion the impact on the

already impoverished citizenry is a recipe for further plunge into poverty.

Recognising that the purpose of policy is to affect desired objectives, such as sustainable livelihoods and development, the political quagmire both at the national and state government continues to stunt reforms and programmes through political divides and corrupt activities. With development hindsight, the Nigerian economy has been in comatose despite its enormous potentials for growth and development. Policies and programmes developed in Nigeria over the years, despite being supported by military regimes and current democratic dispensation, often serve as drain pipes for corrupt activities and regional/ethnic conflicts.

Table 1 shows the macroeconomic aggregates of real growth rate and inflation rates in percentages from 2000-2004. The major sectors of the economy that determine the real GDP growth rate of the economy show that in 2000-2003 there was a significant real GDP growth rate from 3.50% to 10.23% and a sharp decrease of 3.33% in 2004 with a real GDP record of 6.09% with the oil sector contributing the highest (23.90%). Comparing the real GDP growth rate to the inflation rate across the year shows a gradual increase on all the items of real GDP growth rate. In 2000 there was a negative inflation rate on food (-4.20%), 2001 experienced a sharp inflation rate of (28%), 2002 (13.10%), 2003 (6%), and in 2004 another increase to (14.5%), which indicates a relative decrease in purchasing power and access to means of livelihoods.

Table 1: Macroeconomic Aggregates

Real growth rate (%):	2000	2001	2002	2003	2004
Real GDP growth rate	5.40	4.60	3.50	10.23	6.09
Oil sector growth rate	11.10	5.20	-5.70	23.90	3.30
Non-oil sector growth rate	2.90	4.30	7.96	4.44	7.50
Agric Sector growth rate	2.90	3.90	4.30	7.00	6.50
National disposable income growth rate	4.30	4.60	3.90	4.40	6.37
Real gross fixed capital formation growth rate	17.00	15.20	11.20	3.50	4.31
Inflation rate (%):					
All items	6.00	18.90	12.90	14.00	15.0
All items less farm produce	13.30	6.00	12.50	27.20	15.5
Food	-4.20	28.00	13.10	6.00	14.5

Source: Calculated from the Federal Office of Statistics 2005 Statistical Fact Sheet

Although the country is endowed with a sizeable natural resource base, oil and gas generate about 90% of foreign exchange earnings, which constitutes 75% of government revenues, it contributes about 30% of GDP but employs only about 3% of the labour force (MAN, 2006). The 3% contribution to employment is relatively poor compared with a low per capita income and a ranking quite low according to its Human Development Index (UNDP, 2005).

Macro policy programmes put in place by the Federal Government of Nigeria over the years include: 1. Directorate of Food, Roads, and Rural Infrastructure (DFRRI), responsible for financing construction and rehabilitation of rural infrastructure – roads, water supply, earth dams and rural electrification. 2. National Agricultural Land Development Authority (NALDA), initiated to encourage smallholder farmers to bring more land under cultivation and improve agricultural outputs. 3. River Basin Development Authorities (RBDA), with the principal objective to raise agricultural productivity as well as the living standards of the rural. 4. Strategies Grain Reserves Programme (SGRP), with the objective to achieve stable prices for grain by buying large quantities at harvest period, storing, and releasing them during off-seasons periods when prices are high because of scarcity, SGRP is also used for providing emergency assistance whenever it may be needed in the country. 5. Agricultural Development Projects (ADP), the main purpose of the ADP is to stimulate increased food production and enhance the income of the rural population. 6. National Directorates of Employment (NDE), responsible for vocational skills development and small scale enterprise programmes designed to combat unemployment. 7. Mass Mobilization for Social and Economic Reconstruction (MAMSER), a macro approach at mass mobilization whose aim is to encourage the participation of rural people in their development. 8. National Economic Reconstruction Fund (NERFUND), provides long-term loans at concessionaire interest rates to promote small and medium scale industrial projects. Finally 9. Community Action Programme for Poverty Alleviation (CAPP), the objectives are: (a) improvements to the living conditions of the poor through targeted, cost-effective, demand driven, and promptly delivered programmes, (b) enhancement of the productivity of the poor through skills improvement, and (c) improvement of the nutritional status of the poor through improved household food security and health practices (UNDP, 1998).

Other policy programmes are: 10. Family Economic Advancement Programme (FEAP), established to compliment (CAPP). 11. People's Bank and Community Bank Programmes, was designed to make banking services more accessible and extend credit to the poor. 12. Better Life Programmes/Family Support Programme (BLP/FSP), aim to alleviate rural poverty, particularly among women. 13. Primary Health Care Scheme, was aimed at providing at least one health centre in every local government area. 14. Expanded Programme of Immunization (EPI), as advocated by WHO and UNICEF, infants below the age of one year are provided immunization coverage for BCG, diphtheriapertussis-tetanus, third dose (DPT3), oral poliovirus, third dose (OPV3) and measles, as well as immunization of pregnant women with two or more doses of tetanus toxoid. 15. The Nomadic Education Programme, aims at making primary education available to nomadic children without endangering the sustainability of pastoralism – a very prominent occupation among the Fulani ethnic group. 16. National Urban Mass Transit Programme, is to ease the problem of transport congestion for workers in the urban centres. 17. Oil and Mineral Producing Areas Development Committee (OMPADEC), responsible for providing special aid to the oil producing areas, and 18. The Programmes under the Social Development Policy Disadvantage Group, these are rehabilitation programmes for the disabled, beggars, children, the aged, and juvenile delinquents (UNDP, 1998).

The plethora of policy changes and reforms over the years have further created the fragmentation of: the political structure, the efficacy of money as a clincher in politics, and allocation of resources for development across the different regions in Nigeria. Also, national reforms in Nigeria are wide and cut across many fields, from political to social, educational and economic etc. Therefore, translating these economic reforms into growth and prosperity for the majority of the people, including well thought-out social spending to distribute the gains of economic growth and ensure that growth benefits the poor, has been a major challenge. These challenges prompt questions such as;

who does participate in making and implementing these policy choices? However, it becomes evident that the policy choice goes beyond the usual question of public finance and the overall cost/benefits of such programmes.

A deep disconnection between the government and the social structures that enable sustainable development is a challenge for Nigeria's government in the face of mounting livelihood insecurity and other critical pains and sacrifices that result from these reforms, rather than focusing more on the quality and characters of economic growth, on the one hand, and rate of growth on the other. For example, the costs associated with private energy generation account for close to a third of overall operations costs for most manufacturing enterprises in Nigeria (MAN, 2006). The poor state of other basic infrastructure further imposes high costs of production on domestic manufacturers, such as transportation and distribution networks, government tax, and continued investment in capacity building.

Much of the current policy debate blames poor governance and corruption for poverty and livelihood insecurity (David, 2005). In Nigeria, the National Economic Empowerment and Development Strategy (NEEDS) was formulated as the response to the development challenges of Nigeria. NEEDS is set up to, "mobilise the resources of Nigeria to make a fundamental break with the failures of the past and bequeath a united and prosperous nation to generations to come" (NEEDS, 2004, IMF, 2005). But how could meaningful progress be made when little or no attention is devoted to technology-induced growth, human capital development, attitudinal changes, and building new leadership?

Nigeria's trajectory of institutional development in support of the PRSP, NEED, and SEEDS programmes depends on genuine political buy-in, the absence of which negatively impacts on food security and sustainable development. In other words, a coordinated pro-poor economic growth with a human face and not just growth alone. While

the key tool for distributing the gains of economic growth and addressing poverty remains the creation of decent jobs, which enables the poor to generate and earn income, it should not, however be seen as a chance by-product of economic growth.

The NEEDS programme, launched in 2004 by the Federal Government of Nigeria, supposedly gained high feet by liquidating the \$43.6 billion external debt, creating real GDP growth of 7%, while inflation dipped below the set target level of 9.5% in 2006. but the trickledown effects of such economic acceleration were: a sharp decline in national electric power supply; refined petroleum products sold at steeply rising prices, transport systems in states of total collapse with rural and urban trunk roads not motor able, the real productive sectors becoming comatose and uncompetitive, the health and education sector languishing, and high levels of unemployment questions the aforementioned rosy economic picture of NEEDS and whether the results are merely signposts tailored to fit programme projections?

Adaighofua Ojomaikre (2007) provided an illustration, which compared the NEEDS recorded average real GDP growth rate of 6.3%, which slightly better the projected 5.7% by the World Bank and 6.1% by the CBN respectively for 2006, to the annual 3.1% population growth, it ranked the country's development bracket, measured in GDP per capita, as US\$1,154, against \$39,676 per capita in the US, expressed in purchasing power parity dollars. With a mean GDP growth rate of 3.0% (estimate) annually or zero population growth, the GDP per capita in high development bracket countries would also double at about the same time.

However, the current national treasury of about \$42 billion, a huge gain, could be ploughed back into the economy to advance and expand economic activity, which will ultimately have a multiplier effect on economic output, thereby enhancing wealth creation. This is contrary to the current economic growth that is skewed by development models

that undermine general welfare down the line, reflected in high crime rates, social discontent of ordinary citizens, unbalanced income distribution, and inequitable access to economic opportunities/amenities. These could be attributed to a poor and myopic understanding of the indispensable role of infrastructure as a critical component of the development continuum.

Despite the economic theories and reforms propounded by different governments over the years, sustainable development in the country remains dismal. The current democratic dispensation, in the past eight years, has continuously promised citizens reform in the power sector, resulting in regular, if not uninterrupted power supply, to boost the economy and to facilitate opportunities in both industry and society. The huge investment of capital in the power sector vanished into corrupt hands resulting in monumental failure, as shown on the survey conducted by the National Association of Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA, 2006). A vivid example of failure in the power sector is the total power generation of 3200 mega watts (mw) peak power generated in the country in 2006, which dropped by 30 per cent despite the projection that the power sector will generate 5198 mw before the end of the year and a projection for power generation increase to 10806mw by December 2007; to 13821mw and 14837mw by 2008 and 2009 respectively, and to an ultimate capacity of 15853mw by 2010 (MAN, 2006).

However, government's handling of public power supply has been phlegmatic while the expectation from the 2004 deregulation did not attract investors into the power industry as operating conditions remained unfavourable. Instead of government diverting attention to developing renewable sources of generating power - the super-abundance of gas in Nigeria offers an edge to generate and huge amounts of electricity very cheaply, which would serve as an additional attraction for investment and competitive local production for domestic and export markets with attendant massive employment,

but wrong-headed policies have thus far thwarted the realisation of these benefits.

3.0 The role of the Central Government

The available standard practice or ideology of policy programmes usually depicts the aggregates of country's needs and preferences. But the over-dependence of external policy expectations on the various channels of development pathways to be adopted (e.g. the previous SAP and current PRSP) are ineffectual economic cures with clear external indicators. These external development pathways have remained a contractual policy support instrument aimed at ensuring continuation of policy prescriptions from two major institutions (IMF/World Bank). Such compliance by national government is usually based on expected political gratifications with further expansion of corrupt activities. Accordingly, policy programmes and reforms that are not indigenous in model often become a total failure e.g. the structural adjustment programme, austerity measures, and endless Naira devaluation in Nigeria.

The National Government's economic reform listed for sale, in the form of privatisation or concession, in 2005 and 2006 twenty-one enterprises. The enterprises targeted for privatisation include the State Telecommunications Company (NITEL), The National Electricity Power Authority (NEPA), The Port Harcourt Refinery, and many others which, by implication, could not strike a balance between static and dynamic efficiency in service provision. Sometimes the state may not be involved e.g. when private sector actors engage in service provision through standard setting, with the aim of achieving sustainable development not only in the economical dimension or self-

regulation, but in terms of 'Corporate Social Responsibility'⁴ (WBCSD 1999)

Therefore, fragmentation of the state apparatus as the sole means to sustainable development and growth, has far reaching implications for the various policy programmes, implementation, and evaluation framework. Also, the theoretical and practical justifications for government policy programmes and reforms are basically to service the political mercenaries crucial for political party's perpetuation, mostly for the next election. However, whether or not policy reforms lead to economic growth and sustainable development, it remains to be seen how these reforms promote genuine pro-poor programmes and guarantee the benefits accruing from such reforms without being politically conceived.

The limited success of the various reform efforts could be argued to be a result of the people being far removed from the administration of all the reforms. There are "no one-size fits all reforms" but infrastructure development economists are unanimous that economic growth by itself will not eradicate poverty because the assumption by many neo-liberal economists that economic growth will automatically trickle down to the poor is not supported by evidence e.g. the windfall from high crude oil prices has no direct impact on the percent of poor people (65-70%) or the complete death of infrastructures. To improve the effectiveness of policy reform instruments strengthening of 'community initiatives'⁵

⁴ Corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large (WBCSD, 1999)

⁵ These are programmes intended to complement Structural Fund operations in specific problem areas to promote the socio-economic development of rural areas, innovative strategies to regenerate cities and declining urban areas and transnational and interregional cooperation.

is required (CI) and improvements to the management of monitoring and evaluation, and clarifying the share-out of responsibilities between the federal government, states, and local government in reform implementation to provide functional infrastructures.

4.0 The sustainability in policy/reform

In Nigeria, over the years, most reform programmes possess the lowest moral fund and mental capital, morally malnourished and deficient in vision, especially those politically motivated to manage the affairs of the state, e.g. the FSP, FEAP, WOTCLEF⁶ etc, under the portfolio of the wife of the president. This raises the question; when and to what extent are the previous and present 'first ladies' reform projects, in their operational pursuits, able to enhance their values and success and to what extent are the net national returns on such reforms measured?

However, even as the country has moved along the path of economic reforms, priority has not been given to implementing a well-structured, independent, regulatory mechanism in all the policy programmes. The consequence of which is the complete lack of systemic evaluation with a view to improving the efficacy and effectiveness of such reforms. It is the responsibility of the national government to monitor and evaluate the impact and results of initiated reforms to ensure that the aims and objectives of the reform do not have a perverse effect on the economy, the social goals of the country, and attainment of efficiency⁷ with equity⁸.

⁶ Women Trafficking and Child Labour Eradication Foundation

⁷ Allocation of scarce resources in the most optimal manner to maximise return, leading to improved economic growth

⁸ Encompassing intra-generational equity or proper growth dimension to sustainable development

The importance of private sector led reform can't be overemphasised, but how the informal and private sectors are co-opted into a national development effort has never been frontally considered and approached, except as the least preferred option. This raises the suggestion of whether it would not be useful to expand the NEEDS and SEEDS policy programmes, at the lowest political governance level possible, to leave it with the (public, private, or public private) actors that would best undertake it, and to keep the poverty alleviation programmes current timings and deliverables.

While the governments of developing countries, and Nigeria in particular, certainly respond to external policy demands each country's response to such reforms are not holistic enough to enable other sustainable development components, such as policy commitment in the area of trade, investment, security and technology transfers. Therefore, countries responses to policy issues do not depend on the extent these policy approaches could affect the livelihoods of the already poor living on less than a dollar per day, rather on the political benefits.

Most economic reforms in Nigeria reflect the direct opposite of economic theory and accepted practices in many developed countries that have accepted reforms and policy programmes as a path to sustainable development. The result of distrust by the political elite of extant administrative machinery, for getting political programmes to work, produces a perpetual, prostrate, and unproductive sector, e.g. the jointly owned Virgin Nigeria Airways. The key issues in the pursuit of policy reforms are in understanding the nature of political bureaucracy and goal displacement that could be associated with the nature of such policy reform, especially where there are no inbuilt processes used to access the likely consequences and the actual consequences.

In many ways service provision has been the victim of non-stop reform with most of the reforms becoming a source of morale crisis. Each

crisis seems to create a pool of change, survivors who have come to believe that every reform will soon go away, so they act with every reform process waiting to return to the old ways. The consequence is that service delivery continues to deteriorate. Each Failure triggers citizen frustration, and each round of frustration erodes further the legitimacy of the state, deepening the problem of effective policy implementation due to limited support from those whose attitudes the policy seeks to change (Utomi, 2006).

The reform process in Nigeria and Africa in general, are in dire need of projects that will bring up to date sustainable development through economic growth, democracy, and good governance to the people. The training and skills to strengthen these reforms may span into advocacy and institutional reforms may contribute to the improvement of the quality of governance. These are further transmitted through integrated methodologies on the relationship between the governance processes, institutions, policy development, implementation, monitoring, and evaluation. The introduction of a genuine structural policy to lessen the gaps in development and living standards is a necessity in order to improve the effectiveness of government structural policy instruments so that economic and social cohesion can be achieved.

5.0. Conclusions

Nigeria has not been lacking in articulating policy focus aimed at tackling the problem of poverty, livelihood insecurity, and the dearth of infrastructure but consistent failure in the political machination has been the country's bane, compounded by corruption and corrupt practices, which have a strong influence on the social, political, and economic interactions as well as the development of the country. The unjust social political and economic systems, which deprives individuals of opportunities, and confronts every citizen with so much

uncertainty, could be cut short by bridge-building to deliberately link economic and social development policy efforts.

The democratic system and policy reforms in Nigeria remain a painful experiment in the articulation of sustainable development, but the systemic abuse of public trust, borne of poverty and corruption of vision, within Nigeria's politico-military leadership class over the past four decades has created a ruinous culture of self-enrichment that activates the majority of Africa's potentate. Therefore, to advise on policy reforms requires an honest implementation, which advances the common good, instead of politicians turning to ad hoc task forces that ultimately disarticulate sustainable development.

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