

KEY POINTS



- On Tuesday, March 7 2017, the Federal Government released the Economic Recovery and Growth Plan (ERGP).
- Nigeria has previously launched and implemented a number of such economic plans in the last five decades.
- Most of these plans have failed to achieve their stated objectives, mainly due to lack of proper implementation strategies.

Now that Nigeria's Economic Growth and Recovery Plan is Launched

Having recognized effective planning as a tool for restructuring and developing Nigerian economy, the Federal Government released the Economic Recovery and Growth Plan (ERGP) on Tuesday, March 7th, 2017. Todaro (1992) describes development planning as government's deliberate effort to influence changes in major economic indicators to achieve some predetermined goals.

The ERGP represents a medium-term plan from 2017 to 2020 with the primary objectives of restoring growth, building a globally competitive economy and investing in the Nigerian people all towards achieving a sustained inclusive growth in Nigeria.

It is instructive to note that Nigeria has launched and implemented a number of plans in the last five decades which are summarized below:

- **Pre-independence Plans:** For welfare and development of Nigeria to meet colonial interests
- **1st NDP (1962-1968):** To develop agriculture, industry, transport, manpower and living standard
- **2nd NDP (1970-1974):** For reconstruction after the civil war
- **3rd NDP (1975-1980):** Oil boom era with the objective of un-employment reduction, income distribution, economic diversification, indigenisation etc.
- **4th NDP (1981-1985):** An ambitious plan with objectives to increase income and productivity, technological development and others in 3rd NDP
- **5th NDP /Structural Adjustment Programme – SAP (1986):** Aimed at consolidating earlier NDP but suffer from the external debts and declined oil price; hence, SAP was adopted for economic restructuring, diversification from oil, increased private sector participation etc.
- **Rolling Plans (1990-1998):** 15-20years perspective plans broken down into 3 years rolling plans that feeds into the annual budget. Aimed at linking long, medium and short-term goals.
- **National Economic Empowerment and Development Strategy – NEEDS (2003-2007):** Aimed at wealth and employment creation, poverty reduction and value re-orientation.
- **Vision 20:2020:** Making Nigeria one of the top 20 economies by the year 2020
- **Nigeria Industrial Revolution Plan (2014):** 5-year plan to rapidly build up industrial capacity and improve competitiveness in sector where Nigeria has comparative advantage

Had all, or even any, of these plans achieved the stated objectives, there might not have been a need for the ERGP at this time. The problem has always

been implementation. Interestingly, everyone recognises this as the problem and most of the plans also recommend their implementation strategies, but things are not just implemented.

The culprits in many times have been lack of political will and commitment to implement; fall in government revenue source like oil price; change in governments; political crisis and elections; poorly-designed public investment programmes, failure to link annual budget to the plan; too ambitious programmes; lack of clear strategies that tie plan objectives to programmes, deliverables and timelines; failure to define a dispassionate baseline as well as measurement metrics and mile-stones; lack of pressure from citizens and groups; lack of clear ideology on the complementarity and substitutability between the roles of the market and state in economic development; lack of incentives (compensation and sanction identification of who plays which role; dearth of capacity) for complying with the plan; corruption and other rent-seeking activities; poor for monitoring and evaluation; among others.

The current Plan however claims to be different from previous ones because there is political commitment leading to the establishment of a Delivery Unit in the Presidency and the merger of Budget and Planning into the Ministry of Budget and National Planning (MBNP) which is expected to align budget with planning for effective implementation.

No doubt, the Delivery Unit and MBNP have a lot to do in ensuring effective implementation of the Plan. Since the ERGP document itself is not explicit on how some of its objectives and strategies will be achieved, these MDAs will have to come up with supporting documents and programmes to the Plan. In drafting these documents and over-seeing the Plan implementation, the question that should come to the mind is: to what extent are we arresting each of the culprits identified above?

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