



Appraisal of Policies and Programmes Implementation in Nigeria: A Case of the Nigerian Industrial Policy

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Abstract

The implementation of the Nigerian industrial policy programmes was evaluated in this study and the achievement of past Nigerian industrial programmes and the implementation failures of past Nigerian industrial programmes were also examined. Factors such as leadership, poor maintenance culture, corruption, insecurity, inconsistency, low level of technology, poor management, poor state of physical infrastructure, policy instability and discontinuity, lack of funding and financial services, insufficient quality control, weak local raw materials supply base, skilled manpower shortages, unavailability and poor flow of data/information, low level of technology, low investment in research and development, competition with substandard imports and difficult business environment were identified as factors responsible for the failure of Nigeria industrial development. Definite economic philosophy underpinning a rational planning framework, transformation of Nigerians in place of reform, strengthening the technocratic capacity for policy making and implementation among others were recommended.

Keywords: Implementation, Policy Programmes, Nigeria, Industrial Policy

1. Introduction

A vibrant industrial Sector as the key and the backbone of sustainable economic development of a nation should not be overemphasized. Industrialization is considered a child of necessity in the development of any country. Thus, the fortune of any nation's economy lies in its industrial sector which is the "heartbeat" of economic development (Daniel, 2015). Nigeria's industrial sector has experienced some setbacks for some time now and has been afflicted by weaknesses arising from inefficiencies in the provision of public utilities. The energy crisis, excessive import dependence, lack of clear strategy for areas of competitive and comparative advantages and poor sectoral linkages are some of

the factors that have exacerbated the problems of the sector. “These afflictions have manifested in low capacity utilization, low contribution to GDP, depleted financial base, high production costs and unemployment (Aganga, 2013). An indispensable lesson is the pivotal role that the political leadership plays in directing growth paths toward ensuring economic progress and development. This also underscores the importance of a stable and enduring political environment that is conducive for establishing the ideal condition for economic and industrial take-off, particularly focusing on technology-driven industrialization to support exports. Political stability should encompass adequate security to foster the requisite environment under which business and commercial activities can thrive. The Nigerian economy has achieved some considerable progress. Nevertheless, the accomplishment is far below her realizable potential, given her abundant human and material resource endowment. The causes of the failure in the implementation of past industrial policies in Nigeria were examined in this study. Lessons of past mistakes can help strengthen the future as an adage says “tell the history and split the future.

2. Study Location

Nigeria is situated on the Gulf of Guinea in West Africa between latitudes 4° and 14° north and longitudes 3° and 14° east (see Fig. 1). Its neighbors are Benin, Niger, Cameroon and Chad Republics. There are 36 states in Nigeria, including Abuja, the Federal Capital Territory. The country operates the Federal system of government. Before independence on October 1, 1960, the territory now known as The Federal Republic of Nigeria was under the British colonial rule. According to the National Population Commission (2006) the country has grown tremendously to a population size of about 140,003,542 persons. Nigeria is a heterogeneous society with multiple cultural, ethnic and multi-lingual diversities. A significant size of the population of the country is employed in the public sector (Ekpe, Daniel, Ekpe, 2013).

3. Statement of the Problem

All plans, programmes and visions captured in the 1st National Plan (1962-68), 2nd National Development Plan (1970-74), 3rd National Development Plan (1975-80), 4th National Development Plan (1981-85) and Vision 2010 Development Plan were to guarantee Nigeria’s economic development by altering the model of economic structure of production and consumption pattern, reduce dependence on oil, diversify the economic base, generate employment, and create a globally competitive and stable economy. Looking back, it is clear that the economy has not actually performed to its fullest potential, particularly in the face of its rising population (Daniel, 2015). The Nigerian economy has grossly underperformed relative to her enormous resource endowment and the achievements of her peers/other developing nations with similar characteristics. This is, particularly so, because agriculture has remained largely peasant, while the high contribution of the tertiary sector to output suggests that the sector is not really servicing the Nigerian economy but, indeed, other economies. Little wonder then that the diversification index remains below 0.4% over the years in spite of the numerous reforms that have been put in place (Daniel, 2015). Given the consequences of the current poor

industrial state of the nation, the question arises as to what were the inadequacies of the various industrial policies. In this study, the implementations of the various national industrial policy programs were examined with the intent of identifying the inadequacies that can be strengthened in the future for realistic policy and implementation towards a vibrant industrial state.

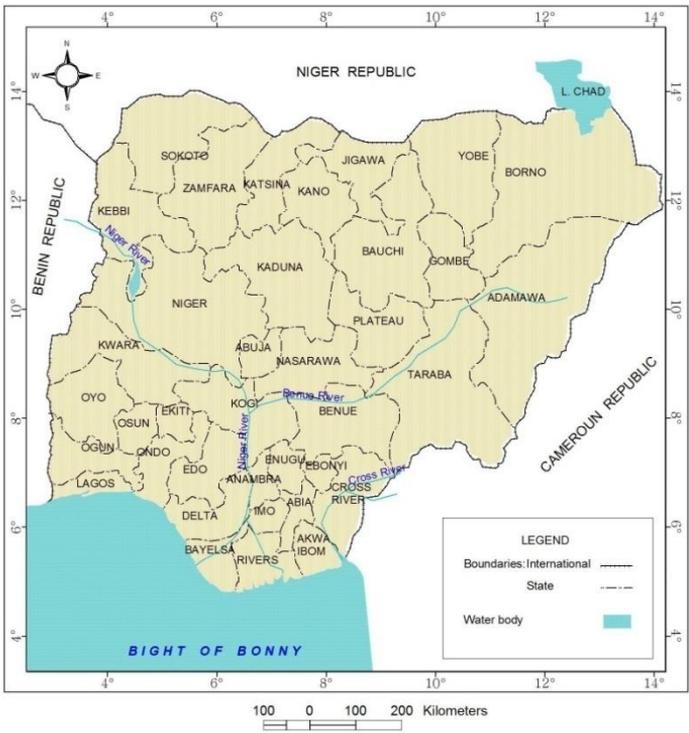


Fig . 1: Nigeria - The Study Location

4. The Aim and Objectives of the Study

The aim of the study was to critically assess the implementation of the Nigerian industrial policy programmes. In order to achieve the aim, the following objectives were set out:

- i. To examine the achievement of past Nigerian industrial programmes.
- ii. To examine the implementation failures of past Nigerian industrial programmes.
- iii. To identify the factors responsible for the past Nigerian industrial development.

5. Achievements of Past Nigerian Industrial Programmes

The policy of import substitution pursued since independence was applauded because it yielded rich dividends. It was the determinant of the high growth rates recorded in the manufacturing sector. A few industrial products like cement, flour, and beer, the process was nearly complete. The country's manufacturing consisted mostly of the supply

of goods to final consumers, import substitution brought in its wake a rise in the importation of raw materials, intermediate and capital goods. The manufacturing sector became highly dependent on import. It was clear that Nigeria's manufacturing achieved a low level of interdependence. The low level of interdependence affected the structure of industries, employment, level of income and foreign exchange earning. There was need for upgrading the industrial sector towards local production of intermediate and capital goods for sale to other industries. Nevertheless, for the time being Nigerian industry could not enjoy the advantages of large scale production available to industry in the highly industrialized economics. Also at this time, Nigeria was still experiencing a very low level of indigenous ownership and control.

A major problem that confronted the industrial sector of the nation at the beginning of the second plan was the need to reconstruct industrial facilities that were damaged during the civil war. By 1973-74, most manufacturing establishments in this category had been fully reactivated. During the period, three cement factories including Nkalagu and Calabar factories were not only reactivated, but extensive expansion of facilities initiated. The fish trawling and the paints projects of the East Central State were at advanced stages of implementation. Moreover, the two salt refineries and Ifoko and Sapele went into production during the early period of Third Development Plan. Alcohol Factory at Bacita was completed while notable progress was made in the implementation of the second oil refinery at Warri. The Kaduna single super phosphate Fertilizer projects were at final decision stages. Motor cars assembled at the Volkswagen and Peugeot assembly plants in Lagos came out of the assembly line in March, 1975 and were in the market by May of the same year.

The Nigerian Enterprises Promotion Decree Promulgated in February 1972 set out in its first schedule, 28 industrial and commercial ventures which were reserved exclusively for Nigerian citizens and associations. Some of the activities on this list included non-departmental retail trading, banking, rice milling, bottling of soft drinks, hairdressing, road haulage, newspaper, publishing and printing, radio and television broadcasting, etc. In schedule II of the Decree were 25 activities in which Nigerians had equity participation of not less than 40%. Notable among the items on that list were wholesale distribution, beer brewing, manufacture of soaps and detergents, fish and shrimp trawling and processing, paper conversion, etc. The promulgation and implementation of the Nigerian Enterprises Promotion Decree was a major land mark in the economic history of Nigeria. Not only was the implementation been successful, but it also revealed the investing capabilities and attitude of Nigerians. The implementation revealed the great advantage of indigenous participation. That of making foreign investments, position more assured and promoted motivational peace.

The Federal Government established three new institutions to implement the indigenization policy, the Nigerian Enterprises Promotion Board (NEPB), the Capital Issues Commission and the Bank for Commerce and Industry. Apart from its overall responsibility for the implementation of the policy, the NEPB also supervised the transfer of schedule I businesses from aliens to Nigerian citizens and organisations. By late 1974,

about 530 companies had complied and the nominal value of the shares of companies was assessed at about N53 million.

The trade liberalization policies of the 1990s marked a clear departure from the era of import substitution and widespread trade restrictions. Under the liberalized trading regime, a number of initiatives were introduced. They include tariff reforms, harmonization of waivers, port reforms, concession and incentives and introduction of FTZ to boost exports. There were policies and programmes put in place to enhance international competitiveness, export diversification, greater utilization of preferential trade arrangements and Nigeria's increased participation in international trade negotiations. The adoption of the ECOWAS Common External Tariff (CET) in 2005 improved the predictability of its tariff regime and provided a strong signal of Nigeria's commitment to a competitive level playing field and strengthening of sub-regional integration.

With a view to expanding the nation's export base, government under a catch phrase "Commerce 44" was pursuing the diversification of exports to the USA. To achieve this goal, government identified 11 agricultural commodities, 11 solid minerals and 11 manufactured products whose quality and standards were thought could be significantly improved to position them for export. Government also identified 11 countries and regions where the export of these products could be targeted for maximum benefits (Dotun, 1997).

6. Implementation Failures of Past Nigerian Industrial Policy Programmes

All plans, programmes and visions enumerated above, were to guarantee Nigeria's economic development by altering the model of economic structure of production and consumption pattern, reduce dependence on oil, diversify the economic base, generate employment, and create a globally competitive and stable economy. Looking back, it is clear that the economy has not actually performed to its fullest potential, particularly in the face of its rising population. The Nigerian economy has grossly underperformed relative to her enormous resource endowment and the achievements of her peers/other developing nations with similar characteristics. This is, particularly so, because agriculture has remained largely peasant, while the high contributions of the tertiary sector to output suggest that the sector is not really servicing the Nigerian economy but, indeed, other economies. Little wonder then that the diversification index remains below 0.4% over the years in spite of the numerous reforms that have been put in place (Ugbajah, 2010).

By March 1968, when the life of the first development plan expired, less than one third of the amount had in fact been committed. The objectives were not matched with the articulated projects and the defined policies geared towards their achievement. The Government made general policy statements on improving the investment elements by granting incentives such as mention earlier. The incentives measures made available were accessible to all comers without any selectivity criterion. As a result, certain firms were made to amass profits at the expense of the tax payers. Very few industrial estates were

built apart from those already in existence before the plan was launched. The record on the establishment of cottage industries was not impressive.

Furthermore, no well-prepared feasible projects were identified in the plan. The iron and steel project which was supposed to be the cornerstone of the industrial sector, had not, by the end of the plan period, passed beyond the investigation stages. A general allocation of 5 million pound for “investment in industries” resulted in the establishment of some industrial projects whose viability was not assessed before execution and some of which turned out to be “white elephants”. In spite of the poor performance of such projects, others had remarkable success. The Nigerian Industrial Development Bank (NIDB) had in way justified its existence. As at the end of 1969, the Bank had disbursed loans and equities totalling 8.1 million pounds of which 5.6 million was disbursed to the Nigerian incorporated companies in the industrial sector. However, the investments in companies were based purely on commercial considerations of profitability and sound business management. The Bank policy which limited its financial participation in any one project to a minimum of 10,000 Pounds virtually placed the operations of the Bank beyond the reach of the average indigenous-owned and controlled companies which in most cases were small sized. The Banks provided substantial funds for promoting a virile private sector, but failed to influence industrial indigenization in a big way.

A petroleum refinery was built at Alese Eleme near Port Harcourt in 1963 with a production capacity of 1.5 million tons per annum. It was able to supply practically all the refined petroleum needs of the country until production was halted during the civil war in 1967. The Federal Loan Board was set up so that small scale Nigerian businessmen can access modest loan. The loan scheme was a disappointment because loans were granted mostly on political considerations rather than commercial. The revolving fund designed for the benefit of small scale businessmen became a bonanza for a few connected individuals and virtually became impossible to recover most of the loans.

Close examination of input structure of the manufacturing sector during the second Development Plan period, indicated that the input structure of the manufacturing industry was dominated by assembly activities, whereas the output structure was dominated by food, textiles, foot wear and petroleum refinery industries which are local resource-based which was reasonable low (FMI, 1971).

The major factors that hampered the industrial development during the plan period are discussed as follows:

- i. Infrastructure; inadequate infrastructures increases initial operational costs of desirable prospects. The availability and cost of water, communication facilities, electricity, transport especially railway, port facilities etc posed serious problem to manufacturing enterprises.
- ii. Restrictive Industrial Policy and Administrative Practices; Unnecessary restriction and administrative bottlenecks were noted to have frustrated a number of worthy projects; particularly the multiplicity of authorities from whom various permits licenses, etc had to be assembled. Lack of streamlined procedure for getting the required permits licenses combined to confuse the intended entrepreneurs but

created loopholes for abuses. Lack of clarity on Government policy on the payment of royalties, license fees, technical/managerial fee, etc. added to difficulties associated with the transfer of technology from abroad.

- ii. Shortage of industrial manpower and the relative unattractiveness of manufacturing to indigenous businessmen: Trading activities seemed to represent the quickest means of increasing income, whereas, manufacturing projects usually have long gestation. Therefore, many indigenous investors invested in trading activities rather than of the manufacturing projects. In a rapidly growing country as Nigeria, there is a high and rising supply of human resources, but there were serious gaps in many aspects of man power development, e.g. science and technology.
- iv. Slow Implementation of the Public Sector Manufacturing Projects. The public sector manufacturing programmes are generally in those areas which represent the foundation for the growth of the sector as a whole. Therefore, delay in implementing the public sector programme often leads to delays in the implementation of other project.

The third plan raised the expectations of the generality of the Nigerian people. This was the result of the optimism generated by the favourable financial circumstances on which the country found itself on the eve of the Third Plan period. Although, the execution of the plan recorded a number of significant achievements in the industrial sector, it was not altogether smooth-sailing for a number of important reasons.

1. The plan was launched against a background of buoyant financial resources following sharp increases in both the price of crude oil and Nigeria's level of production. Therefore, availability of financial resources was not envisaged to pose any serious problem for the implementations of the plan. But, rosy picture of the oil industry soon turned gloomy. The global depression in the economics of the western nations had a multiplier effect on the demand for oil with adverse consequences on price. Oil producers including Nigeria were forced to reduce output. This unexpected development distorted the expected flow of financial resources, forcing government to engage in massive borrowing from the world market.
2. The unsettled political atmosphere in the first two years of the plan also prevented a smooth take-off of the plan. Barely four months after the plan was launched, there was a change in government. The new administration ordered for a review of the plan as early as October, 1975. The review exercise took some time during which implementation was at a standstill. The new administration also engaged in unprecedented and massive purge in the public service of the federation. The sudden removal of a large number of experienced officers adversely affected the pace of plan implementation.
3. One of the actions of the new government was the creation of 7 new states in February 1976. This exercise led to a substantial time being devoted to sharing of assets among newly created states and relocation of officials and offices. It took some time for the new states to settle down and for meaningful development

programme to be evolved for them to cover the remaining part of the plan period. Also, the additional states increased the pressure on financial resources for the plan. The need to equip the new states with necessary staff and administrative infrastructures raised the level of recurrent expenditure and reduced resources available for capital investment/industrial development.

4. The abortive coup of February 1976 was another factor. The imposition of curfews and such other security controls, imposed restrictions on personal movements. Organisations, both public and private hitherto operating two or shifts per day were operate only one shift.
5. Other difficulties such as port congestion, unabated inflationary pressure and shortages of materials and skilled manpower.

As a result of the challenges discussed, the development of the industrial sector was bewitched with a number of problems and constraints including (i) Inadequate basic infrastructural facilities (ii) Weak raw materials base (iii) Dearth of technological know-how and sabotage of managerial manpower (iv) strong competition from imports (v) Excessive reliance on the external sector for capital goods and raw materials (vi) strong competition for resources from other quick and high yielding sectors and (vii) institutional and administrative bottlenecks.

The indigenization policy during the second and Third Development Plan period has been observed to have had serious implications for the creation of an egalitarian society and the achievement of an equitable distribution of income in Nigeria. What seems to have been uppermost in the minds of the policy makers at the time the decree was being drafted was the achievement of a more equitable distribution of the wealth of Nigeria as between foreigners and Nigerians. The fact that the exercise could in fact affect the equitable distribution of income and wealth among Nigerians did not seem to have been seriously considered. The way the decree was implemented made it possible for a few highly placed Nigerians to acquire enterprises and shares to themselves. People used their positions and connections to get loans from the financial institutions, including the Bank for Commerce and Industry, to buy large amounts of shares or buy up existing companies. Therefore, the result was that some foreigners were dispossessed of their companies and shares, with adequate compensations, but such companies and shares were passed into the hands of a very few Nigerians, quite a number were fronted by foreign investors, thus aggravating the already extremely uneven distribution of income and wealth. It is believed that Government could have stipulated the maximum number of shares and enterprises which each individual and/or family could legitimately acquire (Duru, 2012).

Although the manufacturing sector is crucial for the country's economic transformation, it has been difficult for the sector to demonstrate its capacity in this regard. It has remained structurally and technologically weak. The deterioration of the sector is evident from its contribution to GDP which averaged only four per cent between 2004 and 2009. However, value added grew at an average of 8.8 per cent between 2005 and 2009 while capacity utilization raised from 34 per cent in 2005 to 50 per cent in 2009.

The low capacity utilization rates have been blamed on epileptic power supply, lack of working capital and reduced demand for locally manufactured goods (FGN, 2010).

Furthermore, during this time many small-scale enterprises were closed down while rationalization and staff layoffs were experienced in many medium and large scale establishments. Available data indicated that 30% of firms were closed down, 60% were ailing and only 10% were operating at a sustainable level. Companies that were closed down cut across all sector, but the most affected were textile, dry cell, automotive batteries, matches and candles sub-sector (Dotun, 1997). The major challenges in the sector during this period included poor state of physical infrastructure policy instability and discontinuity, lack of funding and financial services, weak local raw materials supply base, shortage of skilled manpower, low level of technology, absence of core industrial base. Others included low investment in research and development, competition with sub-standard imports, difficult business environment as well as paucity and poor flow of information. Infrastructure such as power, telecommunications, transportation and water supply are basically inadequate in terms of geographic spread, quality and efficiency. Most of the facilities were dilapidated, obsolete, unreliable and ineffective. The state of disrepair of most of these facilities was a reflection of a poor maintenance culture. The overall outcome was high cost of goods and services as industrialists often pass on the high cost of transportation and power supply, among other costs to the consumers.

7. Factors Responsible for the Failure of Nigerian Industrial Development

An indispensable lesson is the pivotal role that the political leadership plays in directing growth paths toward ensuring economic progress and development. This also underscores the importance of a stable and enduring political environment that is conducive for establishing the ideal condition for economic and industrial take-off, particularly focusing on technology-driven industrialization to support exports. The political stability should encompass adequate security to foster the requisite environment under which business and commercial activities can thrive. The Nigerian economy has achieved some considerable progress. Nevertheless, accomplishment is far below her realizable potentials given her abundant human and material resource endowment. The basic causes of failure in the implementation of industrial policies are discussed as follows:

- i) **Leadership:** The country is seriously beset with numerous shortcomings in the leadership arena, be it in the spheres of politics, corporate or at the community level.. There is decadence across all spectrum of human endeavour: Prevalence of lawlessness and corruption in the rank and file of public officers have allowed personal interests of many involved in implementing public policies to override collective goals; The mad quest for wealth over and above all other considerations has rendered the implementations of the various industrial programmes most ineffective; Abuse and manipulation of ethnic relationship by officials involved in the implementation of the industrial policies and programmes by way of nepotism, tribalism, favouritism and religious bigotry; The menace of weak governance

constitutes a serious challenge to the various plans and programmes meant to achieve sustainable industrial development. Thus, the prevalence of weak institutions, poor governance as well as poor ethical standards in most public and private organizations, constrain the realization of industrial policy objectives of the government. The effect of all these have permeated the country's regulation and law enforcement, rendering them ineffective. For example the huge foreign exchange inflows from oil have not been effectively harnessed to ensure a comprehensive diversification of the economy.

- ii) **Poor Maintenance Culture:** Widespread dilapidated and dysfunctional economic and social infrastructure. Decades of neglects, weak technological base, poor maintenance culture and low research and development efforts on the part of the government over the years hindered industrial development. Corruption has become endemic and has continued to ravage the entire strata of the society.
- iii) **Corruption:** Corruption is a direct result of the weak leadership, poor value and reward system in the country. According to the Transparency International 2014, Nigeria's position in the Corruption Perception Index for 2013 was 143 out of a total of 183 countries with a score of 2.4/10, which clearly reveals Nigeria as one of the most corrupt countries in the world.
- iv) **Insecurity:** There is weak investment climate, owing to the legal and institutional challenges as well as the spate of insecurity: "Boko Haram" insurgence in the North and Militant groups in the South. These pose serious constrain to massive flow of investment in the wealth-creating and employment generating industrial sector of the economy.
- v) **Inconsistency:** Policy incoherence and inconsistencies and occasional policy somersault pose a major constraint to industrial development in Nigeria. Though, the various industrial policies, plans and programmes were laudable, they were often discontinued with change in regime. Thus, regime changes in the past had often truncated the implementation of the good industrial projects and programmes (Ugbajah, 2010).
- vi) **Low Level of Technology:** The industrial sector remains structurally weak and basic industries such as iron, steel and petrochemicals are weak. The technological base is also weak primarily due to lack of investment in research and development and innovation. Manufactures depend largely on imports of machinery, equipment and spare parts, which is not sustainable due to foreign exchange limitations. The sector also lacks the skilled manpower necessary to guarantee competitiveness in a globalized world. In addition, the contributions to foreign exchange earnings as well as share of employment and government revenue generated have been low. The capacity utilization is relatively poor. The low capacity utilization rates have largely been blamed on frequent power outages, lack of funds to procure inputs and the reduced demand for locally manufactured goods.
- vii) **Poor Management:** Many small enterprises have closed down, while rationalization and staff layoffs are being experienced in many medium and large-scale

establishments. As shown in Table 1, 30% of firms have closed down; 60% are ailing and only 10% are operating at a sustainable level. Companies in the closed down group cut across all industrial products but the most affected are products such as textile, chalk, dry cell and automotive batteries, shoe polish, matches, candles, etc.

Table 1: Status of Manufacturing Industry Closures

Industries that have close down (30% of total)	Industries in the ailing category (60% of total)	Industries at a sustainable level (10% of total)
*Electronic/Electrical Appliances *Auto *All others	*Hydro-carbon based industries *Pulp, paper products, printing, publishing and packaging sector *Footwear *Textiles and garments	*Food, Beverages and Tobacco *wood and wood products *Pharmaceuticals *Leather

Source: Daniel (2015).

- viii) **ECOWAS Free Trade:** The introduction of the ECOWAS free trade arrangement aimed at promoting freer movement of goods and persons within the West African sub-region. Nigerian manufacturers are relocating to other countries within the sub-region that have more favourable investment climate. Concerted efforts should be made to reverse the trend through the pursuit of policies and programmes that will ensure a substantial reduction in operating costs and improvement in the business environment.
- ix) **Poor State of Physical Infrastructure:** Frequent disruptions in electric power, water supply, inefficient telecommunication and transportation system, constitute a major constraint to productivity of manufacturing firms. Manufacturers have to invest huge amounts of capital to provide alternative infrastructural facilities and such high operating cost structures reduce efficiency thereby resulting in loss of product competitiveness.
- x) **Policy Instability and Discontinuity:** Investment in manufacturing requires long range planning consequently stable and consistent macro-economic policies are a pre-requisite for high performance in the sector. However, the increasing policy inconsistency resulting in instability in the macro-economic environment, affects the corporate planning adversely.
- xi) **Lack of Funding and Financial Services:** Funding challenges have made it difficult for manufacturing firms to invest in modern machines, information technology and human resources development, which are critical to reducing production costs, raising productivity and improving competitiveness. High interest rates and the reluctance on the part of financial institutions to comply with laid down lending

- guidelines tend to frustrate corporate investments and fail to ensure protection and growth of local industries.
- xii) **Insufficient Quality Control:** Although the Standards Organisation of Nigeria (SON) has taken various measures to improve standards and quality of products, there are still gaps in the implementation of quality control and standards. For example, commercial laboratories for testing products are lacking and there are no set standards for certain products, such as spare parts and components. In the absence of clearly set standards and facilities for measurement of quality, sub-contracting from large to small-scale establishments has been made difficult and charges of inferiority against made-in-Nigeria products cannot be easily verified.
 - xiii) **Weak Local Raw Materials Supply Base:** Nigeria is richly endowed with agricultural and mineral resources but most of these resources are yet to be fully developed or harnessed. Manufacturers depend on imported raw materials. The high tariff regime discourages investment in the manufacturing sector and makes the costs of manufacturing uncompetitive.
 - xiv) **Skilled Manpower Shortages:** Lack of skills on the part of public personnel to discharge expected roles and duties effectively are among numerous shortcomings in the leadership arena. The economy is yet to achieve the necessary structural changes required to jump-start rapid and sustainable economic growth resulting from lack of attitudinal and structural changes needed for economic transformation. There are apparent weak linkages existing among the primary, secondary and the tertiary sectors of the economy. The gap between training institutions and industry, inadequacies of on-the-job training and the general lack of training has led to a lack of quality manpower. Manpower availability, in the right quantity and quality is fundamental to the success of all other strategies designed to achieve set targets for the industry.
 - xv) **Unavailability and Poor Flow of Data/Information:** The general lack of detailed, reliable and timely data and information flow is of great concern in the industry. The fact that no reliable data exists for some industry sub-sectors is worrisome. For example, little or no reliable data exists on fruits and vegetable production, and in the engineering industry there is no record of the amount of specialized alloy steels imported into the country.
 - xvi) **Low Level of Technology:** This is perhaps the greatest obstacle constraining productivity in Nigeria in developments in technology and innovations as the primary forces propelling industrialization today. New processes, procedures, and automation have revolutionized manufacturing and helped to multiply productivity in the industrialized nations. Due to financial constraints, industries in Nigeria are unable to acquire modern technologies. Most manufacturing sub-sectors, especially textiles, cement, bakery, leather, paper manufacturing and some others still use machinery that have been in use since the 1960s and 1970s. Consequently, frequent breakdown of these equipment reduces capacity utilization rates.

- xvii) **Low Investment in Research and Development (R and D):**In today's fast changing world, Nigeria's current level of investment in Research and Development would be considered inadequate. It is imperative that mechanisms and partnerships that promote the expansion of R & D are put in place to hasten the manufacturing sector's attainment of the Vision 2020 goals.
- xviii) **Competition with substandard Imports:** Competition with sub-standard imports and illegally manufactured/uncertified local goods has led to the lack of competitiveness of 'Made-in-Nigeria' goods. Imported alternatives, despite their poor quality are cheaper and typically considered more appealing.
- xix) **Difficult Business Environment:** The bureaucracy involved in doing business in Nigeria is a major deterrent to the growth of the manufacturing sector. Issues of poor governance and cumbersome entry/contract procedures have encouraged corruption (NPC, 2009).

8. Conclusion and Recommendations

The First National Development Plan (1962-1968), was designed to put the economy on the path of accelerated growth by prioritizing agricultural and industrial development as well as training of high-level and intermediate manpower. The Second National Development Plan (1970-1974), through to the Third National Development Plan (1975-1980) were devoted primarily to reconstruct and rehabilitate infrastructure that were destroyed during the civil war years. This period witnessed massive investment of resources into the rehabilitation and reconstruction of new infrastructural facilities. Moreover, the Fourth National Development Plan (1981-1985) was designed to reduce the dependence of the economy on a narrow range of activities and broaden the economic base as well as develop the technological base.

The economic downturn of the early 1980's necessitated the implementation of Economic Stabilization Measures and later the Structural Adjustment Programme (SAP), which was aimed at creating a more market-friendly economy and to encourage private enterprise through the removal of cumbersome administrative mechanisms in economic management. The economic deregulation and liberalization policies of the late 1980's and 1990's had the goal of fostering effective allocation of scarce resources. Furthermore, Nigeria's Vision 2010 was aimed at "transforming the country and focusing it firmly on the path to becoming a developed nation by the year 2010". According to the document, the private sector was expected to be very active, and market-oriented, highly competitive, broad-based, private sector-driven development process. In addition, the return of democratic governance in the country in 1999, brought along with it the introduction of a series of reforms, aimed at redressing the distortions in the economy and restoring economic growth. The National Economic Empowerment and Development Strategy (NEEDS) of 2004 were a home-grown poverty reduction, value-reorientation and socio-economic development strategy for the country.

The formulation of the Nigerian Vision 20, 2020 strategy is a step in the right direction. There are some positive aspects of the strategy, including the introduction of

integrated sectoral planning, adoption of cluster-based approach to industrialization with monitoring and evaluation. But there are deficiencies in the strategy which need to be corrected if the goals of the strategy are to be achieved. These include the necessity to create political condition for the vision to be realized, realistic predictions; promotion of citizen participation, social protection, dealing with corruption and addressing the challenge of implementation.

In support of Igbuzor (2009); Ogbochie (2012), if the deficiencies identified above are corrected and the Vision 20-2020 is executed efficiently, effectively and professionally, then Nigeria will be on the path of growth and development that will be beneficial to the citizens. Considering the current situation as well as the realistic productions, it seems unlikely if not impossible that Nigeria will join the league of the top twenty countries in the world by 2020, but meticulous implementation of the strategy nevertheless will move Nigeria in the right direction and place her in a better position.

Based on findings, the following recommendations were made:

1. Nigerians need transformation in place of reform.
2. Nigerians should tap the potential of sustainable energy systems and deploy ICT technologies to enhance productivity and welfare.
3. Nigerians should venture into the productions and services components with competitive *advantages*.

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