

analysis. In his analysis, therefore, some crucial questions are omitted: the comparison of employment conditions of the railwaymen, including relative levels of incomes compared to the rest of industrial workers in the town, and differences of housing accommodation between railwaymen and the rest of urban workers. It is interesting to note that the number of African employees of EARH steadily declined from 56,295 persons in 1955 to 39,171 persons in 1965 (p. 20), while in East Africa the urban population grew at explosive rates during the 1950s and 1960s, resulting in the mounting employment problems. "Attempts to stabilise the labour force in Kenya's modern urban sector—largely by paying higher wages than those available in agriculture—have...succeeded only too well."⁵ The wage and employment conditions of EARH should have influenced the relatively longer commitment of railwaymen. Solidarity and opposition by railwaymen should have been profoundly influenced by general labor market conditions.

In conclusion, I would like to urge the author to widen his analytical framework so that this remarkable study of the African labor force will provide constructive policy suggestions for economic and social development in the East African countries. I regret that this mass of information and penetrating analysis ended with methodological suggestions referring to "conceptual problems" and "wider comparisons."

(Ichirō Inukai)

Plan Implementation in Nigeria: 1962–1966 by Edwin Dean, Ibadan, Oxford University Press, 1972, xx+294 pp.

I

Two years after independence, Nigeria launched the 1962–68 Development Plan, its first integrated, coherent development plan. The plan was not able to run its hoped for six year course owing to the 1966 political upheaval and subsequent civil war. Dean's concern here is to evaluate the plan's implementation, particularly during its first four years, 1962–66.

On the whole, Dean has done an excellent job collecting and dexterously analyzing a mass of complex materials and data. His analysis of factors impinging on plan implementation is thorough. He discusses implementation at both macro and micro levels and evaluates, in the light of stated objectives, the choice of projects and expenditure pattern.

II

Chapter 1 is a brief discussion of the economic and political situation when the plan was drawn up. Economic planning before 1962 is also briefly analyzed.

Chapter 2 of the book highlights the institutional framework, the fiscal arrangement between federal and regional governments. The deficiencies of the planning mechanism

⁵ S. B. L. Nigam and W. H. Singer, "Labour Turnover and Employment: Some Evidence from Kenya," in *International Labour Review*, Vol. 110, No. 6 (December 1974), p. 1.

are also assessed. Particularly illuminating is Dean's discussion of the nature of political struggle in Nigeria. "Economic planning did not appeal to these political leaders as a crucial matter, and their desire for political progress was not accompanied by a clear understanding of the nature of planning" (p. 53). Dean is correct in his observation that planning institutions were weak and ineffective. The National Economic Council existed merely on paper; the Economic Planning Unit was likewise weak. Consequently decision making, in most cases, did not take place within the context of the planning machinery. Politicians ignored planning because their interests often conflicted with the goals and methods of the plan.

Dean compares planned expenditure with actual expenditure during the six year period, though he admits that the figures for the last two years 1966/67 and 1967/68 need not be taken seriously (Chapter 3). In the six year period, he estimates that £418.5 (N837m) million was spent, making up 63 per cent of the planned target (p. 89). But he warns against using this as an index of real performance. Dean points to several lapses such as expenditure on unplanned projects, and over-spending in low priority projects. He also says that the profitability criterion was not adhered to strictly.

Several constraints are noted impending plan implementation. Financial constraints are discussed in Chapter 3, particularly that from foreign exchange. Reliance upon foreign donors to the tune of 50 per cent for the finance of the plan is seen as over-optimistic. Dean's writing is *ex post facto*, with the advantage that hindsight gives. The inflow of foreign aid was very poor, leading to two undesirable consequences: depletion of foreign exchange reserves, and excessive use of unintended sources of funds particularly contractor finance (p. 107). Several statistical tables are employed to illustrate these findings, but perhaps because of constraints of space, the chapter is highly compressed and somewhat tedious.

In Chapter 4, Dean shows how two constraints, lack of adequate finance and inadequate executive capacity, are interrelated. He argues that the gap in executive capacity is partly responsible for the inability to produce detailed and accurate projects that can attract foreign aid. Dean clearly shows that the plan's size was too large for executive capacity at the time to easily cope with. Fulfilment of the plan required a vast increase in activities with which the country had little experience.

The author argues that this situation unavoidably led to plan distortion (Chapter 5). Since priority sectors: primary production, trade, and industry, had relatively more difficult projects, they put greater demands on executive capacity. This led to under-expenditure on projects in these sectors; a shift of effort to low priority sectors that exert less demand on the executive capacity. In an excellent discussion of the problem of executive capacity, Dean fails to sufficiently emphasize the transitional nature of the early post independent years with their exodus of expatriate civil servants. Such large number of civil servants leaving at the time of independence undoubtedly aggravated the personnel problem.

A microanalysis is given (Chapter 6) on three selected projects: the Niger Dam, the Eko Bridge, and the northern bee keeping project. Two salient points are made; the importance of well-documented feasibility studies in facilitating project implementation; and the place of each project in the overall plan objective. The successful

implementation of Kainji is used to illustrate the importance of detailed and well-documented planning for the failure of this agriculture project illustrates the lack of direction and adequate background study.

Dean's discussion of plan linkages in practice is quite illuminating. He chooses the transportation sector for detailed discussion and shows that part of the basic problem of planning in Nigeria is lack of coordination among different agencies responsible for the same sector. For instance, road transportation in Nigeria is the joint responsibility of the federal government, the regional government, and myriads of local authorities; there is no agency responsible for coordinating the efforts of these different bodies. Perhaps the only lapse in the chapter is Dean's failure to discuss linkage of the projects in the transport sector to other sectors of the economy. However, this is not a serious defect.

In Chapter 8, Dean discusses the performance of the economy in response to plan implementation. He examines the extent to which the goals and objectives of the plan are achieved and to which extent such achievements are due to the successful implementation of the plan. He notes that some goals were fulfilled not because the planning mechanism was efficient, nor because implementation was effective, but because of structural changes in the economy.

The actual real growth rate was 5.3 per cent as compared with the plan growth rate of 3.9 per cent. This impressive performance cannot be ascribed to the plan, but largely to the growing importance of petroleum in the Nigerian economy.

Dean estimates the ratio of public capital formation to private capital formation at about 38:62 as against the forecast of 63:37. This ratio reflects the political aspirations at the time of independence which anticipated a preponderant role of the public sector in the economy. Apart from the fact that this was too ambitious a target for the public sector; the upsurge of activities in petroleum stimulating some increases in the inflow of foreign private investment in that sector, increased the proportion of the private vis-à-vis the public sector. Dean then concludes this chapter with the paradox that "some of the important goals of the plan were achieved, yet plan implementation was deficient" (p. 218).

He then poses the question: "did the plan matter?" (Chapter 9), observing that it played only a peripheral role in the government decision-making-process, and that there were unintended consequences from planning in politics, economics, and government decision making. These effects include distorted processes of selecting projects, foreign influence, and regional political rivalry (p. 237). This is true, but Dean fails to relate them to Nigeria's historical background. The Federal Government of Nigeria at the center was no more than a group of representatives of ethnically diverse communities. These representatives, like the majority of Nigerians, still thought in terms of their places of origin: communal rather than national interest. Nor did they have the kind of discipline required for an economic development plan. The attitudes, and aptitudes, for national orientation and the necessary discipline that economic development requires are still being formed.

Dean concludes, albeit, with some doubts, that the plan made distinct contributions to development of the economy. The shade of doubt is however unwarranted. The plan contributed immensely to economic development, most especially in the realm

of infrastructure. Dean observes that the immediate consequence of the free primary education in the south was an increase in urban unemployment. This is only partially correct. The drift to towns from rural areas arose from a number of reasons apart from free primary education; such as higher income and therefore a higher standard of living in the urban areas, defective industrial location policies, and concentration of modern amenities in a few urban areas such as Lagos, Ibadan, Enugu, and Port-Harcourt. These even attract the totally illiterate to towns where they look for manual labor jobs.

Dean quite adequately points out the competition between public and private sectors over the control of resources (p. 243). He also observes the increasing diversion of resources from the private to the public sector. The relative efficiency of the private sector is well analyzed; though he fails to note that the private sector is also being subsidized through public expenditure on social and human capital, and through over-generous protective subsidies. Dean later admits that, in spite of its deficiencies, the plan was not simply a paper plan, it had solid economic benefits (p. 251).

III

In the concluding chapter, Dean sums up his findings and makes some very useful suggestions for development plans. Particularly noteworthy is the idea of training larger numbers of economists and engineers for project analysis. His suggestion of reducing reliance on foreign aid has been overtaken by events as Nigeria's oil revenue has eliminated any such need. But it is relevant that many other developing countries in Africa and Asia still believe that foreign aid can alleviate their financial problems during development. Other suggestions that Dean makes are still relevant. In spite of Nigeria's adequate financial strength, her second national development plan faltered for among other reasons, inadequate executive capability.

Dean's book is a very useful and illuminating study of the planning experience in Nigeria. There are a few lapses, but they in no way obscure the merit of the book. It should be of tremendous help to civil servants particularly those whose duty is to formulate policies and draw up development plans. Politicians whether in uniforms or flowing gowns, whether in Nigeria or other developing countries can gain clear insights into the essence of planning and be assured of its desirability. Dean's work is an invaluable text on the planning experience in a developing setting; making it very useful to students of development economics. (Adebayo Adejuge)