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RETHINKING PUBLIC POLICIES AND STRATEGIES ON ENTREPRENEURSHIP DEVELOPMENT FOR SUSTAINABLE GROWTH IN NIGERIA

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Abstract

The paper appraises the impact of public policies and strategies on the development of entrepreneurship in Nigeria. The use of public policy initiatives to increase private sector participation in sustainable development is not new. How ever, it was the economic policies of the Reagan administration in the USA in the 1980s dubed “Reaganomics” that made it popular in recent times. To focus the paper in perspectives, we begin with the conceptual framework encompassing the concept of public policy and strategy, entrepreneurship and sustainable development. We also review the underlying theories of entrepreneurship. The impact of public policies in Nigeria is examined under five headings: The post independence period of the IDCs, 1960s; the post civil war period of NEPD, 1970s; the SAP period of the 1980s; the economic reconstruction period of the 1990s and lastly the current period of NEEDs, seven point agenda and transformation agenda, 2000 to date. Secondary data generated from the CBN statistical bulletin are used for our analyses of the impact of the policies and their kindred strategies. Our findings show that there have been no significant impact. The evidences are (1) lack of correlation between the index of manufacturing production and index of agricultural production(2) increasing trend of unemployment and (3) unsustained G.D.P rate. We therefore recommend economic monitoring team at local, state and federal levels for policy co-ordination and direction. We also recommend reduced cost of governance to channel resources to the private sector.

Key words: *Public Policy, Strategy; Entrepreneurship, Small/Medium Enterprises; Sustainable Development.*

Background to the study

The goals of economic development policies and strategies pursued by successive Nigerian Governments have been poverty reduction through job creation for increased industrial production and agricultural output at affordable prices. At independence policy initiatives to achieve the objectives favoured big import-substitution industries going by the "Big Push Theory" (Rosentein-Rodan, 1961). Failure of the import-substitution strategy to achieve the set objectives made paradigm-shift to favour the development of indigenous entrepreneurship in the micro, small and medium enterprises.

The Reagan administration in the USA also pursued similar strategic options in the 1980s. "Reaganomics" as the strategy was dubed worked on the supply side of the US economy. Supply side economics entails the reduction of government involvement in business, large budget cuts, deep tax reductions and reduced cost of governance and sovereign debt. The objective is to increase investment by the private sector, create jobs, increase supplies and ultimately push down inflation. "Small is beautiful" had become American philosophy to encourage small business entrepreneurship and it has worked. Unemployment in USA today is 8.3%. Job creation through the free market and empowerment of the private sector had been taught by Milton Friedman of the University of Chicago in 1953. Earlier in 1936, John Maynard Keynes had postulated that unemployment was caused by inadequate aggregate demand and encouraged government spending, if need be by borrowing (deficit financing). Keynes was proved right.

However, excessive government spending encouraged by later day Keynesians tended to encourage corruption, over heat the economies and fuel inflation in many countries including Nigeria but the new strategy of supply side economics has not only reduced inflation in many countries but it has also reduced government involvement, misuse of resources and public debt burden. It has also increased private sector employment in many countries-Brazil, Russia, India and China (the BRICs countries).

This paper, however, hypothesizes that public policies and strategies as implemented in Nigeria over the years have not impacted significantly on SMEs and entrepreneurship development as measured by the performance of agriculture and manufacturing industry. Secondly the policies and strategies have not impacted on job creation and GDP growth rate. There is, therefore, the need to rethink and do things differently.

Conceptual Framework and Issues

The key words in this paper are public policies and strategies, entrepreneurship, small / medium enterprises and sustainable growth. Public policies are proposals or declarative statements of government intentions for the good of the people in specific areas as the need arises. Dye (1965) and Jones (1977) agree that public policies are decisions in the interest of the public to achieve a particular purpose. However, policy only lays down the general directive rather than detailed action plans or strategies to follow to achieve the desired objective. They are adjuncts to the national development plans. In some cases, policies and strategies are one and the same.

Entrepreneurship, as operationally defined in this paper, refers to the activities of the entrepreneur as the initiator, organizer, innovator and risk bearer in business (Kent, Sexton & Vesper, 1982). He is the self employed person whose activities create wealth and employment. However, it is not every person pursuing a career in self employment that is conceived as an entrepreneur. A way-side vulcanizer or barber who lacks the capacity to innovate and grow his business is not an entrepreneur. Perhaps he is a "micropreneur" (Nickels, Mc Hugh & Mc Hugh, 2005 p. 167). One cannot conceptualize entrepreneurship development in Nigeria without linking it to the concept of small and medium enterprises (SMEs). Most Nigerian businesses are SMEs. Entrepreneurship in Nigeria invariably takes place within SMEs. The concept of SMEs varies from country to country and even in the same country it varies from time to time. The yard sticks used include number of employees, annual turn over, paid up capital and value of assets.

In Nigeria the most authoritative criteria is provided by the Companies and Allied Matters Act (CAMA) 1990 section 35(1). It says a "Small Business" is one with turn over of not more than N2million and net assets value of not more than N1million. With time value of money these amounts need to be redefined. It also adds that for such a business none of its members must be a government of the federation or a government corporation or agency and not an alien. Also, the directors should hold between them majority share of 51% at least. CAMA is silent about what a medium enterprise is. But we can differentiate a small or medium enterprise from a large one by relying on Galbraith (1975, p. 87). He says a large corporation has the following characteristics: "it has the ability to assemble and use the capital of several or numerous persons and in consequence it can undertake tasks beyond the financial reach of any single person. Additionally, such a corporation protects those who supply capital by limiting their liabilities to the amount of their original investments, ensuring them a vote on the significant affairs of the enterprise, defining the powers and responsibilities of directors and officers and giving them access to courts to redress grievances". Any business in Nigeria without these characteristics must be a small or a medium enterprise. Since such a business is limited by small equity capital, it is either a sole proprietorship, a co-operative, a partnership or a private company.

Sustainable growth in the context of this paper uses the rate of growth in Real Gross Domestic Product GDP as proxy for economic growth and development. There is sustainable growth in a country when the G.D.P increases by an increasing rate within a period of time, normally one year. A G.D.P that increases by fits and starts lacks sustainability. The curve of sustainable growth is upward slopping to the right.

Theoretical Framework

Theories of entrepreneurship are grouped here into two broad categories: Economic / sociological approaches and psychological approaches.

Economic/Sociological Theories

The best known socio-economic theories are Schumpeter's innovation theory, Drucker's creative imitation theory and the survival theory, David Alois Schumpeter's theory of entrepreneurship is a major part of his general theory of economic development. In Schumpeter (1934) entrepreneurship is a function of the rate of profit accumulation and the "social climate" that encourages innovation in a society. By social climate Schumpeter means the whole lot of social, political and socio-psychological environment within which the entrepreneur operates. By this theory a vibrant profitable economy encourages people to venture into entrepreneurship while any action tending to squeeze profits such as increased bargaining power of trade unions, progressive income tax and corporate tax will discourage entrepreneurship. Similarly, social values, educational system, class structure and reward system can promote or hinder enterprise. According to Druker (1958) entrepreneurship can also flourish through "creative imitation" as in the South East Asian, countries, typically Taiwan. Here entrepreneurs do not innovate in the schumpeterian sense but adapt existing products to their local conditions like what they do in Aba, Nnewi and Awka (Nafziger, 1967; Harris, 1967). Virtanem (1986) relates entrepreneurship to the will to survive following a down turn in life.

Psychological Theories

The best exponent of the Psychological theories of entrepreneurship is David C. McClelland. McClelland hinges entrepreneurship on the psychological need to achieve which is inherent in some people-those who have the type 'A' personality (McClelland and Winter, (1969). However, McClelland believes the motive to achieve can also be acquired through appropriate interventions or attitudinal changes such as training and development.

Public Policies on Entrepreneurship in Nigeria

Based on the above theories and following the examples of other countries that have cultivated entrepreneurship Nigeria has also grappled with a number of policies to intervene and promote entrepreneurship. In table 1, we present a summary of these policies and their kindred strategies.

Table 1. Summary of Nigeria's Public Policies and Strategies on Entrepreneurship

	Policy initiative	Strategies
1.	Post Independence Industrial Incubation Policy of the 1960s.	• Industrial Development Centres • Small Industries Credit Loan Scheme (SICL)
2.	Post Civil War Indigenization Policy of the 1970s.	• Indiginization Act 1972/1977 • Establishment of Long Term Credit Delivery Institutions
3.	Structural Adjustment Programmes of the 1980s.	• Structural Adjustment Decree 1986 • Directorate for Food, Roads and Rural Infrastructure (DFFRI) 1986. • National Directorate of Employment (NDE) 1986. • Raw Material Research and Development Programme • Entrepreneurship Development Programme (EDP) 1987. • Export Promotion Council 1988 • Privatization, Commercialization and Deregulation Policy 1988. • National Industrial Policy 1988.
4.	Economic Reconstruction Programmes 1980s/1990s	• SME (II)Loan Scheme 1989 • On Lending Credit Institutions • Monetary Policy Guidelines • Grass-root Banks • Export Processing Zones (EPZ) 1991, 1996.
5.	Development Strategies 2000-2009 The Nigerian Economic Empowerment and Development Strategies NEEDs 2004. Seven Point Agenda/Transformation Agenda 2007 to date	• Small/Medium Enterprises Equity Investment Scheme. SMEEIS, 2001. • Small/Medium Enterprises Development Agency of Nigeria (SMEDAN) 2003. • National Poverty Eradication Programme NAPEP 2004 • Bank Consolidation Exercise 2005 • Federal Road Maintenance Agency FERMA • Local Content Act

The Post Independence Period

During the colonial period the development of indigeneous entrepreneurship was not encouraged. The colonialists were contented to see Nigerians as merely rural producers of cash crops and raw materials for the industries of the United Kingdom. At independence this was not acceptable. Although emphasis was on import-substitution capital intensive industries the government also encouraged indigenous entrepreneurship and SMEs. To start with the government took over the operations of the existing Industrial Development Centres (IDCs) which served as incubators for industrial enterprises. The Small Industries Credit Loan Scheme (SICL) also came into operation in 1966 to complement the IDCs but the civil war disrupted everything in the first National Development plan (1962-68).

Post Civil War Period

In the Second national development plan (1970-74) the government saw the need for Nigerians to take over the commanding heights of the economy as entrepreneurs. The specific objective was to be achieved by the promulgation of the Nigerian Enterprises Promotion Decrees (NEPD) No. 4 of 1972 and No. 3 of 1977. By these decrees certain enterprises were solely reserved for Nigerians and some were to be run by both Nigerians and aliens.

To provide the financial muscle needed by Nigerians to take over the enterprises which aliens were to sell the government set up the Nigerian Bank for Commerce and Industries (NBCI) by decree No. 22 of 1973. She acquired 40% equity participation in the existing “expatriate banks” in order to influence sectoral allocation. The existing Nigerian Industrial Development Bank (NIDB) established in 1964 was up to this time under foreign majority ownership and control and did not meet the aspirations of indigenous entrepreneurs (Nwankwo, 1988) The Nigerian Agricultural and Co-operative Bank (NACB) was also established in 1973 to transform rural farmers to commercial agriculturists. The NEPD decree 1972 was amended in 1977 by the Nigerian Enterprises Promotion Decree No. 3 of 1977 to make it more meaningful. The credit institutions became distressed in the 1990s. NIDB and NBCI have now been reorganized into Bank of Industry (BOI). Not much is known of BOI in recent times. NACB was merged with People's Bank to form Nigerian Agricultural Cooperative and Rural Development Bank which is ineffective. Going by the fact that the indigenization policy produced new generation of Nigerian enterprise managers, business executives and big time Nigerian shareholders it was a success. But observers (Biersteker, 1980) have been worried that buying over shares in existing companies as portfolio investors did not transfer sophisticated technology nor brought innovation to business and therefore did not make one an entrepreneur. There was no prior entrepreneurship development programme like the Indian EDP-I to prepare Nigerians for the take over of foreign businesses. This led to the liquidation of many such enterprises taken over. There was the Centre for Management Development (CMD) that organized seminars for managers. This was not sufficient to develop the entrepreneurial skills for the long-run strategic management of businesses. Again many Nigerians were not aware of the credit delivery institutions and those who were aware did not benefit much as the banks did not lend without good collateral securities which the majority of the people could not afford. The NEPD at best stimulated entrepreneurial spirit. The Capital Issues Commission established also in 1973 paved the way for capital market development. That the decree was abrogated in 1996 meant that NEPD had not produced the needed crop of local entrepreneurs to exploit available resources and create employment, hence the wooing of foreign investors to come back to Nigeria by subsequent administrations. For impact analyses see tables 2-4.

Period of the Structural Adjustment Programmes (SAP)

While Nigerians in the private sector were encouraged to take over alien businesses the development plans-1962-68, 1970-72, 1975-78, 1981-85 promoted the establishment of big government owned import-substitution capital intensive industries. (Big push theory). Between 1975 and 1995 over $100 billion was spent to set up about 120 public enterprises that relied on foreign inputs (Business Times Feb. 17, 2003 p.1). Again, the private sector entrepreneurs instead of running their new businesses taken over from aliens and developing new ones to provide food and intermediate capital goods to the big businesses rather became emergency contractors in the oil related businesses and construction sites that mushroomed following post war reconstruction programmes. The result was heavy reliance on oil revenue to finance importation of inputs as well as food and drugs by the government. When oil prices crashed in the 1980's payment arrears piled up and created balance of payment problems. The surplus of N2,402.4 million in 1980 cascaded to a deficit of N3.020.80 million in 1981. (Ogundipe, 1989, p. 8).

It was against the above ugly scenario that the Structural Adjustment Programmes (SAP) of 1986 was conceived to address the structural imbalances in the economy and lessen the reliance on oil revenue. New policies under SAP were now designed to promote small and medium enterprises (SMEs) that collectively generate more equity capital and contribute more to G.D.P than a few big enterprises. (Ogba, 1991). Besides, SMEs also collectively generate higher level of employment per unit of investment. Government adopted the SAP Standard Policy Package (SSPP) of the IMF to reduce imports and promote exports. It also favoured monetary and fiscal policy adjustment, new exchange rate regime and trade policies, public sector reforms, fiscal discipline and budget cuts to promote exports. It also removed subsidies and adopted reliance on price mechanism. These policies encouraged local entrepreneurs to produce locally those goods that were hither to imported from the world market. A number of institutions were also established to promote SAP as follows.

a. The Directorate for Food, Roads and Rural Infrastructure (DFFRI) 1986 was to construct and rehabilitate federal roads and rural feeder roads so that farmers can easily evacuate their produce. But as Akpan (1992) aptly described it DFFRI showed miles of performance on paper with only inches of evidence in the field for the N2 billion it spent in its first $6^1/_2$ years of existence. It had to be scraped off.
b. National Directorate of Employment (NDE) established in 1996 was to provide opportunities for youth employment and vocational skills acquisition, small scale industries and graduate employment scheme as well as special public works programme. It still exists despite high unemployment rate.
c. Raw Material Research and Development Council (1987) was to organize researches for the development of local raw materials. It exists in name only.
d. The Entrepreneurship Development Programme EDP 1987 was a programme mid-wifed by the federal ministry of employment, labour and productivity. Being organized by a government agency it turned out to be another conduit pipe to embezzle tax payers money / government revenue.
e. Nigeria Export Promotion Council NEPC (1988) was to facilitate the development of export marketing by entrepreneurs.
f. Privatization entailed the selling of inefficiently managed public businesses to private investors. Deregulation was to remove protective laws to encourage competition.

A post mortem on SAP shows that it turned out to be a double-edged sword. The crawling peg devaluation of the naira made importation of needed inputs by the small and medium enterprises very difficult. Their increased demand for bank loans to square up production cost also increased the rate of interest and this resulted in a spiral inflation that hit harder on both producers and consumers. Many producers carried excess capacity while others simply went under. Tables 5 to 7 provide impact analysis.

Period of Economic Reconstruction Programmes 1990s
To ameliorate the hard economic conditions of SAP the concept of economic reconstruction programme was conceived. The cardinal thrust of the programme was the establishment of on-lending credit delivery institutions to assist SMEs on danger list to retool, restructure and refocus to their core businesses before SAP. The institutions were to compliment the SME II loan scheme also introduced. The on-

lending institutions were the following: (1.) The National Economic Reconstruction Fund (NERFUND) (Decree 28 1989). (2.) The World Bank Facility, 1991. (3.) The Nigerian Export-Import Bank (NEXIM), 1991.

These institutions used a number of participating banks as intermediaries to reduce their cost of lending. High cost of lending was the bane of earlier development banks. However, because of further devaluation of the naira by over 70% in 1992, the institutions experienced massive loan default and eventually became distressed. NERFUND and NEXIM have been reorganized. Their impact is yet to be felt. See tables 8 to 10.

The grass root banks were the Peoples Bank and the Community Banks. They were to meet the credit needs of the craftmen-entrepreneurs or micropreneurs. The Peoples Bank took off in 1989. It was later accused of corruption before it was merged with the NACB to form the Agricultural, Rural and Co-operative Development Bank. The community banks were expected to carry out banking businesses at the local community level. However, many had overtime become distressed because of bad management as many CBs drew their managers from former employees of distressed banks who carried on with their dysfunctional and unprofessional banking habits. The CBs have now been upgraded in terms of minimum capital base and are registered as Micro Finance Banks.

The National Economic Empowerment and Development Strategy (NEEDS)

One of the cardinal points of NEEDS is the promotion of private enterprise through improved infrastructure, promotion of industry, agriculture and other sectors such as information and communication technology. Not much evidence is available to access the impact of NEEDS save for the banks consolidation exercise it put in place to encourage financial deepening and also the introduction of the GSM telephones to aid communication. In the energy sector it is not yet “uhuru”. According to Daily Sun (April 10, 2007, p. 1) Nigeria in 1999 generated 3,500 mega watts of electricity but in 2007 it generated less than 1,000 mega watts after spending $600 billion. Currently power generation is put at 4,000 mw thanks to transformation agenda currently going on. See tables 11-13 for impact analysis.

Entrepreneurship Training Policies

Going through the plethora of public policies aimed at developing entrepreneurship in Nigeria one hardly sees any serious policy directive based on McClelland's and other psychological theories. The bottom line of these theories is that entrepreneurs can be trained through the acquisition of skills and attitudinal changes to enable them develop the basic traits. However, a few attempts to train entrepreneurs have been made with or without government support at one time or the other.

One of the first attempts to scientifically train entrepreneurs in Nigeria was pioneered by the Centre for Management Development (CMD) in the 1980s (Ekpenyong, 1989). The CMD model was aimed at identifying and selecting entrepreneurs who have pilot projects for special training and development. This was not sustained. Another attempt in 1980 was made by the Nigerian Bank for Commerce and Industry (NBCI) to adopt the Indian EDP model. This, like the bank's financing function, was also without complete success. As part of the SAP, the Ministry of Employment, Labour and Productivity was also to superintend the National Directorate of Employment (NDE) in its efforts to train and retrain school leavers for self employment. There are also a few skill acquisition centers as well as Industrial Development Centres (IDC) offering technical know-how. The higher institutions, the Universities in their General Studies (GS) programmes and in degree programmes in Accounting, Business Administration, Banking and Finance also teach Entrepreneurial Development as a course. The National Youth Service Corps (NYSC) is also involved in orientation programmes aimed at inculcating entrepreneurial spirit in the corps members before they pass out. These have not achieved much like the Indian Model. (Ekpenyong, 1989).

The India model consisted of the establishment of the Entrepreneurship Development Institute of India (EDI-1) under the sponsorship of the Gujarat Industrial and Investment Corporation (GIIC). The institute selected through appropriate psychological tests budding entrepreneurs who were then trained to acquire entrepreneurial skills. The institute conducted researches and offered consultancy services to state level agencies. The training programmes were planned and organized by resource persons called Entrepreneur-Trainer-Motivators who themselves had also been selected and specially trained for their jobs. The trainers invited successful entrepreneurs to give practical lessons in the finance, technical and management aspects of the training programmes. The institute also helped the “graduate entrepreneur” to secure needed financial and technical assistance and offered follow-up services to the graduates in their projects. They were not left on their own after graduation the way the N.Y.S.C members are pushed out to the labour market to hunt for non existing jobs.

The absence of a private sector directed training institute is the bane of the Nigerian entrepreneurial development programmes. If Nigeria had such a body it would help entrepreneurs produce business plans, conduct feasibility studies and liaise with the banks to provide the needed finance to budding entrepreneurs.

Data Analysis and Interpretation

To analyse the impact of public policies and their kindred strategies statistically we use secondary data generated from the CBN Statistical Bulletin 2006 & 2009. For each period we correlate the index of manufacturing production with the index of agricultural production using the Pearson's Product Moment Correlation Coefficient (r). Our opriori reasoning is that if the policies and strategies worked we would have in each period positive correlation coefficients and simple linear regression lines with positive slopes: as agricultural production increased manufacturing production also increased, all things being equal. Agriculture is the independent variable supplying raw materials to manufacturing industries. Secondly we analyse the trend of registered unemployment and the trend of the G.D.P growth rate. Our apriori reasoning also is that if the policies and strategies worked unemployment should decrease with time while G.D.P would increase with time, at increasing rates. These data are indices of economic growth driven by entrepreneurs and SMEs.

Table 2. Index of Agricultural Production and Index of Manufacturing Production 1970-1979

Year	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Agric	126.0	114.2	94.0	102.2	118.7	104.3	97.6	97.6	93.5	92.4
Manuf.	24.1	27.6	29.7	36.7	35.5	43.9	54.1	57.5	65.8	97.3

Source: CBN Statistical Bulletin, 2006 p. 140 & p. 153

Using the formula for Pearson's Product Moment Correlation Coefficient (r) we compute

$$r = \frac{n\sum xy - \sum x \sum y}{\sqrt{\left[n\sum x^2 - \left(\sum x\right)^2\right]\left[n\sum y^2 - \left(\sum y\right)^2\right]}}$$

Where Y = Index of Agricultural Production, X = Index of Manufacturing Production and n = No of data points from 1970 to 1979. Our computed r=0.1

The inference is that there is little or no positive correlation between agricultural production and manufacturing production because of uncoordinated policies and strategies from 1970 to 1979. Specifically the indigenization policy failed to achieve objectives.

Table 3 Trend of Unemployment (1970-1979) professionals and executives

Year	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Total Unemployed	518	382	271	301	224	179	166	151	135	-

Source: CBN Statistical Bulletin 2006 p. 191

Table 3 shows that during the period 1970-79 unemployment reduced from 518 to 135. That was the period of post war reconstruction. Indigenization policy, however, may have made some impact on job creation.

Table 4 Real Gross Domestic Product (GDP) 1970-1979

Year	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Total GDP	4219.0	4715.5	4892.8	5318.0	15719.7	27372.0	29146.3	31520.3	29217.4	29.948.0
GDP Rate	30.8	10.5	3.8	8.7	195.6	74.1	6.5	8.1	-7.3	2.5

Source: CBN Statistical Bulletin 2009 103-104

Table 4 shows the unsustainability of the GDP rate. In 1970 it was 30.8%, diped to 10.5% in 1971, recorded all time high in 1974, plunged to abysmal level of -7.3% in 1978, even with massive oil production. Therefore, agriculture and manufacturing had no impact; public policy was ineffective. Indigenization policy failed.

Table 5: Index of Agricultural Production and Index of Manufacturing Production 1980-89

Year	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Agric	92.5	95.2	98.3	93.9	100.0	104.6	108.3	116.1	138.5	153.0
Manuf.	102.4	117.3	128.6	94.8	83.4	100.0	78.2	120.8	135.2	154.3

Source: CBN Statistical Bulletin, 2006 p. 140 & p. 153

In Table 5 r= 0.2. This shows that SAP had little positive impact.

Table 6: Trend of Total Registered Unemployment 1980-1989 (Professionals and Executives)

Year	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Total Unemployed	-	-	-	-	25414	4,165	6,123	15,100	16293	14281

Source: CBN Statistical Bulletin 2006 p. 191

Table 6 shows that registered unemployment has been increasing steadily from 2514 in 1984 to 14.281 in 1989. This means that Structural Adjustment Programme (SAP) did not reduce the rate of unemployment. It rather increased it from 47% in 1986 to 146% in 1987 because of massive retrenchment of workers caused by SAP.

Table 7: Real Gross Domestic Product G.D.P 1980-1989

Year	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Total G.D.P	31546.8	295222.1	199685.3	185598.1	183563.0	201036.5	205971.4	204806.5	219875.6	236729.6
GDP Rate	5.3	835.8	-32.4	-7.1	-1.1	9.25	2.49	-0.57	7.36	7.67

Source: CBN Statistical Bulletin, 2009 p. 104-105

Table 7 once again shows the unsustainability of G.D.P rate. From an all time high of 835.8% in 1981 it plunged to -32.4% in 1982 following oil glut when the Middle East supplies were pushed to the market and oil price crashed. In 1987 despite the Structural Adjustment Programme put in place in 1986 G.D.P rate plunged again to -0.57.

Table 8: Index of Agricultural Production and Index of Manufacturing Production 1990-1999.

Year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Agric	167.5	191.7	206.4	211.4	209.7	216.8	224.8	234.1	242.4	249.1
Manuf.	162.9	178.1	182.7	145.5	144.2	136.3	138.7	138.5	133.1	137.7

Source: CBN Statistical Bulletin 2006 p. 140 & p. 153

In Table 8 r= 0.2 this shows that Economic Reconstruction Policy had little positive impact.

Table 9: Trend of Total Registered Unemployment 1990-1999 (Professionals and Executives)

Year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Total Unemployed	10.182	12,624	22,206	108,153	28,123	32,942	67,252	66,461	99,376	63,669

Source: CBN Statistical Bulletin 2006 p. 191.

Table 9 shows steady increase in registered unemployment from 10.182 in 1990 to all time high of 108.153 in 1993. It diped to 28.123 in 1994 and continued to increase. This was inspite of the economic reconstruction policy and strategies.

Table 10: Real Gross Domestic Product G.D.P 1990-1999

Year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Total G.D.P	267550	265371.1	271365.5	274833.3	275450.6	281407.4	293745.5	302022.5	310890.1	312185.5
G.D.P Rate	13.02	-0.81	2.25	1.29	0.22	2.16	4.38	2.81	2.93	0.41

Source: CBN Statistical Bulletin, 2006 p. 105-106.

Table 10 again shows that GDP could not be sustained. It rose and fell with time. In 1991 the growth rate was -.81. Reconstruction policy and strategies were ineffective.

Table 11. Index of Agricultural Production & Index of Manufacturing Production 2000-2009.

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Agric	258.2	244.5	251.4	263.7	276.2	293.3	309.6	-	-	-
Manuf.	138.2	137.7	146.3	147.1	145.1	145.7	145.7	-	-	-

Source: CBN Statistical Bulletin, 2006 p. 140 & p. 153
In Table 11 r= 0.5. This shows that NEEDS had only average positive impact.

Table 12. Trend of Total Registered Unemployment 2000-2009 (Professionals and Executives).

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Total unemployed	104960	84359	94663	59373	91263	75318	83291	-	-	-

Source: CBN Statistical Bulletin, 2006 p. 191
Table 12 shows just a marginal decrease in unemployment. With the transformation agenda being pursued by the government things may change. A conservative estimate by the National Bureau of Statistics puts the rate of unemployment currently at 23% (cf USA, 8.3%).

Table 13. Real Gross Domestic Product, G.D.P 2000-2009

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Total G.D.P	329178.7	356994.3	433203.5	477533.0	527576.0	561931.4	595821.6	634251.1	67226.6	716949.7
G.D.P Rate	5.44	8.43	21.34	10.34	10.47	6.51	6.0	6.4	6.0	6.6

Source: CBN Statistical Bulletin, 2009 p. 105-106
In Table 13 the hope of sustainability was dashed in 2005 when G.D.P rate diped from 10.47 in 2004 to 6.51 and has remained relatively stable at 6%. The impact of the Boko Haram insurgency in the North which has affected agricultural production must have contributed to the change in trend which is going to be worsened by floods in various parts of the country this year.

Discussion of Findings

According to Schumpeter (1934) economic growth occurs when “social climate” is conducive to the appearance of sufficient flow of “New men” (entrepreneurs). To this Higgins (1968, p. 104) adds:

The only real way to test whether the social climate is appropriate is to see whether the new men are in fact appearing; that is whether there is economic growth. If vigorous growth appears, the social climate is appropriate. When there is no vigorous economic growth, the social climate is by definition immical to it.

In the case of Nigeria as we have seen available statistics from the CBN Statistical Bulletin 2006/2009: the index of agricultural and manufacturing production, unemployment trend and G.D.P rate, point to the fact that the “social climate” to wit, the impact of public policies has not had much significant effect on entrepreneurship development. No entrepreneurship training programme has also taken place (Mc Clelland & Winter 1969).

Conclusion

Taking all things into consideration we have sufficient and conclusive evidence that policy programmes from 1970-1999 were mere duplication of efforts given different names to provide miles of performance on paper but inches of evidence on ground. The statistical evidences reveal lack of co-ordination of policies. It was only from 2000 that there was average positive impact with r=0.5. We need, therefore to rethink policy and strategy. Perhaps, things are going to change with the transformation agenda currently put in place.

Recommendation

We recommend economic monitoring teams at local, state and federal levels for policy co-ordination and direction. We also recommend reduced cost of governance to channel resources to the private sector.

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