Building a Democratic Developmental State in Nigeria: The Public-Private Interface Approach.

Olu Ajakaiye[1,2]

I Introduction

It is a truism that, regardless of the ideological disposition of the political leadership and the level of development, in reality and in all economies, a part of the productive resources of the economy is under the control of public sector agents while the other part is controlled by private sector agents. In practice, the distribution of control of the resources of the nation between public and private sector agents depends on the level of development of the economy and, to an extent, on the prevailing disposition of the society regarding the desirability or otherwise of dominance of either the public or private sector agents in the control of national resources (Ajakaiye, 2004). In developed countries where democracy has taken root, the disposition of society is normally expressed in terms of the preferences of the electorate between the so-called liberal and conservative political parties[3] whereas, in developing countries, where democratic governance is still nascent, the level of development is the primary determinant of the degree of mixture.

In a mixed economy, the following three broad roles of the state, whose primary goal is to secure the maximum welfare of the largest possible members of the society[4], are invariably present to varying degrees and at different times depending on the stage of development and the challenges confronting the society. The first role involves government deliberate utilization of public sector resources to execute ***social overhead capital projects*** in areas necessary to create enabling environment for all economic agents to operate optimally. Specifically, government investments in ***economic infrastructure*** are intended to create an enabling environment for the entrepreneurs to maximize output, employment and income[5] while

[1] Olu Ajakaiye is Professor of Development Economics, a Fellow of Nigerian Economic Society, and currently Chairman of African Centre for Shared Development Capacity Building, Ibadan

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[3] Typically, when the liberal party is elected, it signals societal preference for dominance of the public sector agents in the control of national resources and the reverse is the case when the conservative party is elected.

[4] The means of satisfying the central goal of the State consists of a number of interwoven institutions and instruments that must work in concert. These institutions include private and public enterprises, socio-economic associations (including labour unions, employers' associations and a range of civil society organizations), the markets and government. The instruments include prices, money, credit and a wide range of regulatory controls over prices, production activities, consumption, investment and employment of factor inputs. Timbergen (1972).

[5] Blejer and Khan (1984) provided evidence that infrastructural investment favourably affect private investment

investments in the provision of ***social infrastructure*** are intended to create an enabling environment for the households to maximize their utility and improve their capability and the quality of human resources and, hence, their earnings from the human resources supplied to the private and public sectors of the economy[6].

Secondly, ***the State may have to participate in directly productive activities at least to get things started at the frontier (Hansen, 1959) and to get things going or prevent things from falling apart***[7] while taking steps to actively promote and encourage private sector participation and eventual takeover of such activities at the earliest possible opportunity. At such a time, government would dispose its interest in such activities and use the proceeds, along with fiscal and other resources (including loans), to get things started at new frontier activities into which the private sector will not, as yet, venture[8]. In other words, in a mixed economy, State investments in ***directly productive activities are aimed at shifting the frontiers of development opportunities*** by getting things started in such areas while taking steps to encourage the indigenous private sector agents, in partnership with their foreign counterparts where and when necessary, to take over such activities at the earliest possible time. Mazzucato (2015:1) provides a recent testimony to this case in contemporary USA (the citadel of capitalism and evangelist of minimalist state syndrome) thus: *"The preacher of the small state, free market doctrine has, for decades, been directing large public investment program in technology and innovation that underlie its past and current economic success. From the Internet to biotech and even shale-gas, the US state has been the key driver of innovation-led growth – willing to invest in the most uncertain phase of the innovation cycle and let business hop on for the easier ride down the way".*

The third role of the State is in the form of ***designing appropriate policy packages to facilitate, stimulate, and influence private economic activities*** in order to promote a harmonious relationship between the desires of the private businesses and households and the development goals of society. This type of State intervention usually takes the form of government conscious effort to attain rapid economic growth, high level of employment, low inflation (stable prices), stable exchange rate and favourable balance of payment conditions through coordinated fiscal, monetary, trade and other structural policies including a myriad of regulatory policies. This is in recognition of the fact that, in reality, unfettered operation of the free market, without appropriate guard rails, can result in highly unstable situations reflected in severe fluctuations in income and employment over the course of business cycles. Therefore, the State makes conscious efforts to create conditions that will minimize economic instability while at the same time stimulating economic growth and development.

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6 See Ali (2011) for various recent literature pointing at the efficacy of investment in social infrastructure in advancing development

7 The bailouts and nationalizations in USA and UK in response to the 2007/8 global financial crisis are eloquent testimonies to this reality.

8 The fact that the space programmes were exclusive preserves of OECD governments until recently is an example. See Mazzucato (2015) for a penetrating publication on the role of the state in frontier shifting activities and systematically inserting the private sector agents in the 'easier ride down the way.

Currently, there is no significant controversy, in the development economics literature and among development policy makers of all ideological persuasions, about the first and third roles of the state in economic matters. The contestation is really in the second role. Adherents of neoliberal orthodox paradigm may grudgingly agree to public sector investment in social overhead capital and undertake monetary and fiscal policy measures necessary to minimize economic instability, they are likely to vehemently resist investment of public resources in directly productive activities, whatever the purpose. On the other hand, adherents of neo-Keynesian economics paradigm are likely to be very comfortable with State investments in directly productive activities, especially if the intention is to reduce and eventually eliminate public sector stakes in such activities as soon as the indigenous private sector agents are ready and able to take over and improve performance of the privatized activities.

Evidently, the Nigerian State has, so far, abdicated its constitutional responsibility of deploying the wide-ranging powers to harness the resources of the nation and promote national prosperity and an efficient, dynamic and self-reliant economy. This calls for a reconsideration of dogmatic reliance of the Nigerian political leadership on the neoliberal economic development paradigm and the associated (willy nilly) minimalist role of the State in economic matters everywhere and at all times. This is particularly necessary because in the present day developed economies, the reality is that the minimalist State syndrome pervades the conquered spheres of the economy while the State maximally dominates the frontier shifting uncertain spheres of the economy. In short, it is inaccurate and, in fact deceptive, to assume that the neoliberal economics and its implicit minimalist State syndrome is universal. Surprisingly, the leadership of the Nigerian State has apparently subscribed to this false narrative since 1986 till date.

To redress this situation, a public-private interface (PPI) framework for building a democratic developmental state in Nigeria is proposed. Accordingly, the Nigerian Context and Recent Development Experience are presented in Section II while the concept of Democratic Developmental State (DDS) is summarized in Section III. Section IV also summarizes the concept of PPI while Section V proposes the PPI as a framework for building a DDS in Nigeria. Section VI presents the imperatives for effectively operationalizing the PPI framework in contemporary Nigeria and Section VII contains conclusions and recommendations.

II The Nigerian Context and Recent Development Experience

II.1 The Nigerian Context

In the Nigerian context, between 1960 and 1986, when the logic of state intervention rooted, more or less, in the Keynesian economics held sway, especially in newly independent African countries, the second role of the state was actively pursued by the Nigerian State and significantly supported by the World Bank and other development partners. During this period, government regularly articulated and, to varying degrees, implemented the famous 5-year national development plans. However, following the collapse of international oil prices beginning in 1981, the controversial high debt burden and the resurgence of neoliberal orthodoxy, encapsulated in the erstwhile Washington Consensus, the World Bank/IMF inspired

Structural Adjustment Programme (SAP) was adopted in 1986 and the three roles of the state in economic matters came under attack. The second role of the state in economic matters (i.e., public investment in directly productive activities) came under severe attack resulting in erstwhile prodigal and development truncating privatization programme. Consequently, instead of orderly and planned sale of government stakes in directly productive activities to indigenous patriotic private agents who may collaborate with their foreign counterparts (where and when necessary) as envisaged in the First National Development Plan (1962-68), government embarked on a privatization programme that was inimical to sustaining the nascent industrialization and economic diversification attained, especially between 1970 and 1985. The prodigal aspect of the SAP inspired privatization programme is that the proceeds of the questionable sale of government assets were frittered away in questionable recurrent expenditure instead of using them to prosecute social overhead capital projects, at the very least, and, ideally, using the proceeds along with fiscal and other resources to prosecute other frontier shifting activities. See Ajakaiye (1988) for an elaboration on the motives and consequences of SAP inspired privatization programme in Nigeria. In this regard, it is imperative for the Nigerian leadership at all levels and in the public and private sectors to pay serious attention to the following admonition by Mazzucato (2015:1): "*If the rest of the world wants to emulate the US model, they should do as the United States actually did, not as it says it did – more state, not less. A key part of this lesson is to learn how to organize, direct and evaluate state investments, so that they can be strategic, flexible and mission-oriented*". In essence, there is a sense in which those propagating neoliberal economics doctrine and the implicit minimalist state syndrome were not telling the full story. Specifically, the minimalist state was a result of the State encouraging the private sector to hop on the easier ride down the road while the State remains dominant on the most uncertain phase of innovation-led (development frontier shifting) activities.

Meanwhile, the failure of the neoliberal economic development paradigm of minimalist state embedded in the SAP became quickly manifest in economic disarticulation, de-industrialization, massive unemployment, deepening poverty and worsening inequality. Partly in response, Government introduced the 3- Year National Rolling Plan system beginning in 1990. However, since the neoliberal orthodoxy with its *implicit* development truncating and reversing agenda still held sway, the second role of the state in economic matters, i.e., public investments in directly productive activities to get things started (in the most uncertain and innovation-led frontier activities), re-started and/or get things going, did not feature prominently in the rolling plans.

By 1999, when political democracy was restored, the civilian administrations maintained the neoliberal economic orthodoxy of minimalist state and the associated prodigal privatization program. It is observable that, between 1999 and 2014, the Federal Government was more committed to the neoliberal orthodoxy and it abandoned regular development planning altogether. President Umaru Musa Yar Adua inspired the revival of economic planning process in 2009 by preparing the Vision 20:2020 (a long-term plan) and the 2010-2013 Implementation Plan. However, when President Yar Adua passed in 2010, the succeeding administration of President Goodluck Jonathan abandoned the Vision 20:2020 and the 2010-2013

Implementation plans. Instead, the Jonathan Administration embarked on the erstwhile Transformation Agenda thus terminating the revival of planning process of the Yar Adua Adua Administration. During the post- Yar Adua era, government returned to the 1999-2007 era when interventions in economic matters in general, and in directly productive activities in particular, were haphazard, uncoordinated, excessively personalized under neo-patrimonial arrangements which were susceptible to capture by unpatriotic corrupt interest groups and individuals. Expectedly, the massive privatization programme garnished with the so-called monetization programme remained quite prodigal and development truncating.

Meanwhile, the Administration that took over in 2015 had no fiscal buffer to deal with the 2014-2015 oil price shock and the 2020 oil price shock as well as the economic consequences of Covid-19 pandemic. Although the Administration prepared an economic blue print, tagged *Economic Recovery and Growth Plan* (2017-2020), the influence of the neo-liberal economic policy orthodoxy was manifest in its thrust. Specifically, the expectation that over 70% of the total plan investment will come from a stunted feeble private sector was unduly optimistic. Meanwhile, the projects and programmes to which the modest public sector investment will be dedicated were not identified and the annual allocations were, of course, not elaborated. As a result, it was difficult to see the link between the plan and annual capital budget proposals by the Federal MDAs. Unsurprisingly, the review of performance of the Economic Recovery and Growth Plan (ERGP), 2017-2020 contained in the National Development Plan, 2021-2025 showed that achievement of the ERGP was generally dismal.

II.2. Nigerian Development Experience, 1999-2022

In order to gain insights into the performance of the economy under the rubric of neoliberal economic policy paradigm, it is useful to premise such endeavour on the national aspirations of the economic objectives enshrined in Section 16 (1) of the 1999 Constitution of the Federal Republic of Nigeria (as amended) which empowers the State, *inter alia*, to:

(a) Harness the resources of the nation and promote national prosperity and an efficient, dynamic and self-reliant economy; and,
(b) Control the national economy in such manner as to secure the maximum welfare, freedom and happiness of every citizen on the basis of social justice, equality of status and opportunity.

Clearly, the 1999 Constitution empowers the Nigerian State to combine public and private instruments and institutions so as to put the Nigerian economy firmly on the path of sustainable, self-reliant, diversified and inclusive economic growth and development. To gain insights into the extent to which the Nigerian State has achieved these lofty goals enunciated in the 1999 Constitution, we examine the following features of the economy between 1999 and 2022, data permitting:

- Growth and composition of output (real GDP)
- Growth and composition of exports

- Growth and composition of imports
- Growth and composition of employment
- GDP per capita
- Poverty headcount ratios
- Inequality index

Beginning with Growth and composition of real output, Figure 1 shows that real GDP growth rate remained single digit and falling between 2002 and 2022. Figure 2 shows that throughout the period, real GDP has been dominated by largely rudimentary, low productivity informal service activities. The contributions of agriculture to GDP hovered around 25% throughout the period while the contribution of manufacturing to GDP hovered around 10% contrary to the 25% targeted in the abandoned Vision 2010 and the essentially unimplemented Vision 20:2020 respectively. Evidently, the expectation that as development progresses in Nigeria, the contributions of agriculture to GDP should decline while those of manufacturing should increase had not been realized by 2022.

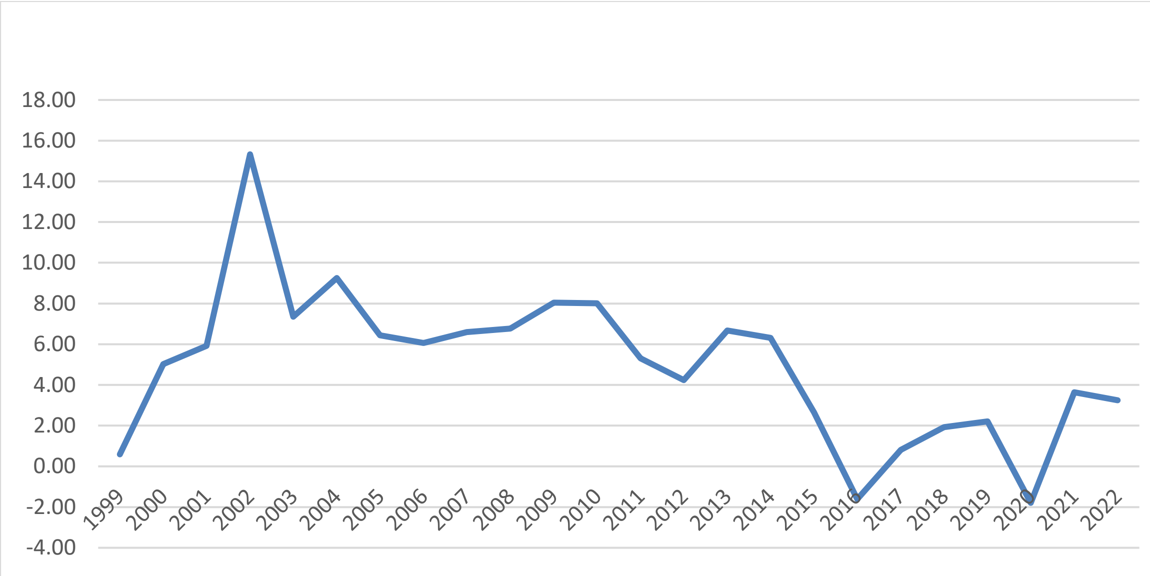
Correspondingly, Nigeria's merchandise exports, which necessarily mirrored Nigeria's production base, were dominated by crude oil while manufactures exports remained quite small. See Table 1. On the other hand, Table 2 reveals that merchandise imports were dominated by manufactures throughout the period. Embarrassingly, Nigeria, a major crude oil exporting country is also one where fuel imports as a percentage of total imports increased from less than 2% in 1999 to over 30% by 2022.

A look at Figure 3 will show that export and import intensity of GDP trended throughout the period with import intensity overtaking export intensity from 2015. The expectation is that, as the economy develops, export intensity will increase while import intensity will decrease as a result of a diversified productive base that is internationally competitive. The Nigerian experience since 1999 has been disappointingly different confirming the fact that the Nigerian economy has been ***un-developing***.

Figure 4 shows that while the contribution of Agriculture to total employment systematically declined from around 50% in1999 to less than 40% by 2021, that of services increased from around 40% in 1999 to over 50% in 2021 and that of industry hovered around 10% throughout the period. Again, evidence suggests that the Nigerian economy has failed to generate ample decent industrial sector job opportunities. Evidently, the rain-fed peasant low technology and hence low productivity agriculture and the rudimentary low productivity service sector are clearly incapable of generating ample decent jobs in Nigeria.

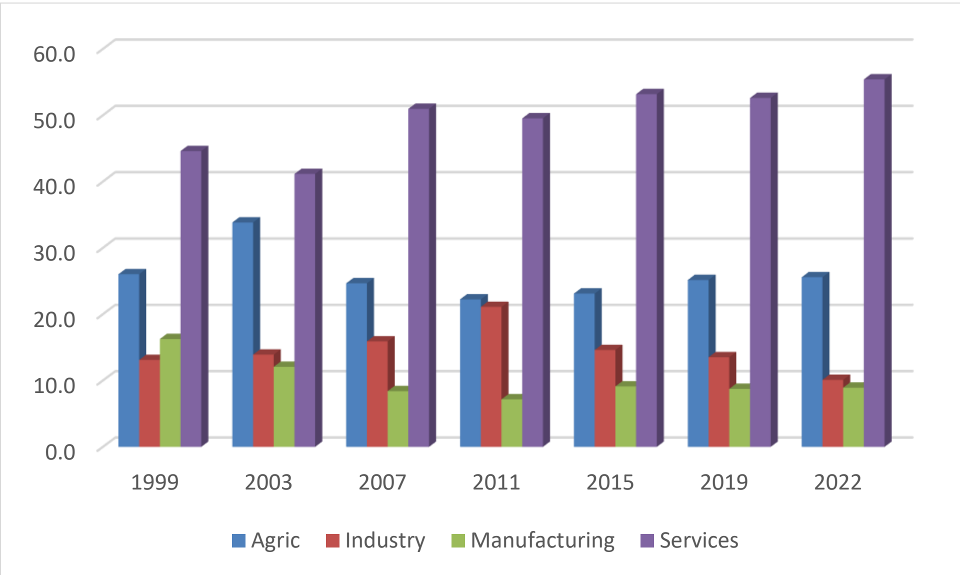
In view of the foregoing, the sluggish trend of GDP per capita shown in Figure 5, the rising population of Nigerians in poverty as shown in Table 3 and high inequality shown in Table 4 are not surprising.

Figure 1. Nigeria: Real GDP Growth Rate, 1999 – 2022 (%)



Source: Underlying Data are from National Accounts Statistics, National Bureau of Statistics, (Various years)

Figure 2 Composition of Real GDP, 1999-2022 (%)



Sources: Underlying data for 1999-2011 are from World Development Indicators Oct, 2023) (World Bank, Washington DC) while those for 2015-2022 are from National Accounts of Nigeria, National Bureau of Statistics, Abuja. Nigeria

Table 1 Composition of Merchandise Exports, 1999-2021 (%)

	1999	2003	2007	2011	2015	2021
Agric raw materials exports	0.134	0.009	0.762	6.130	0.310	0.265
Food exports	0.302	0.024	1.623	1.796	2.894	3.280
Fuel exports	98.942	97.897	93.666	89.127	87.873	89.147
Manufactures exports	0.604	2.068	2.240	2.548	8.586	6.394
Ores and metals exports	0.003	0.003	0.405	0.317	0.337	0.896
Total	100.0	100.0	98.7	99.9	100.0	100.0

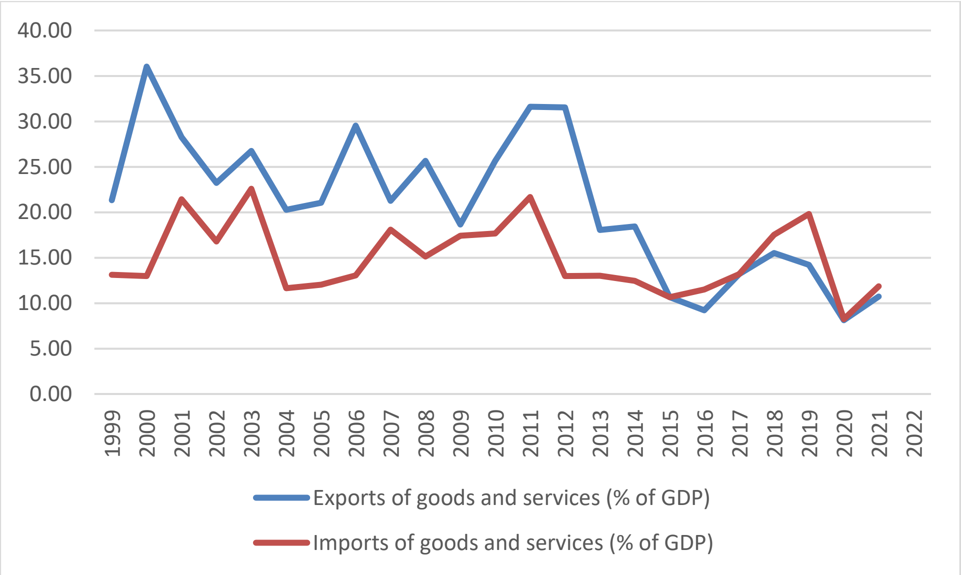
Source: World Development Indicators (Oct. 2023) (World Bank, Washington DC)

Table 2 Composition of Merchandise Imports, 1999-2021 (%)

	1999	2003	2007	2011	2015	2021
Agric raw materials imports	1.46	0.60	0.87	4.21	0.77	0.66
Food imports	27.02	15.50	20.06	30.57	16.95	14.16
Fuel imports	1.79	16.00	1.78	9.89	18.50	30.99
Manufactures imports	66.65	66.30	74.11	54.08	62.02	53.02
Ores and metals imports	2.63	1.60	3.17	1.24	1.76	1.17
	100	100.0	100.0	100.0	100.0	100.0

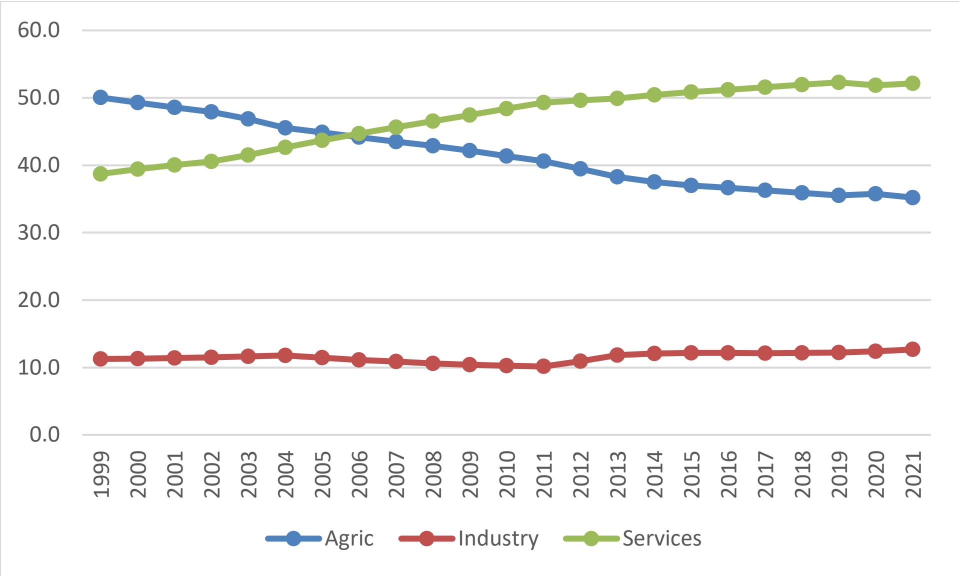
Source: World Development Indicators (Oct. 2023) (World Bank, Washington DC)

Figure 3 Import and Export Intensity 1999-2022 (%)



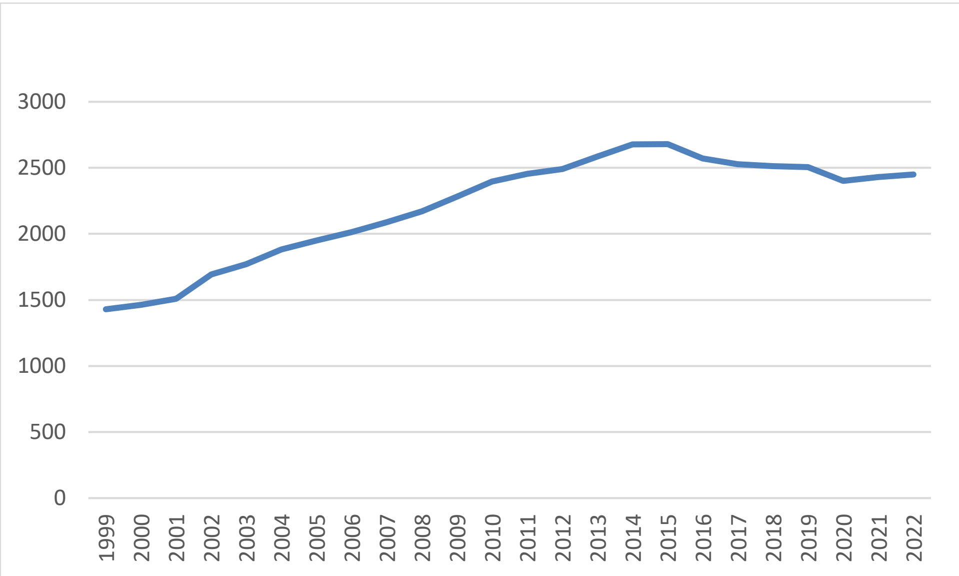
Source: World Development Indicators (Oct 2023) World Bank

Figure 4 Composition of Employment, 1999-2021 (%)



Source: World Development Indicators (Oct 2023) World Bank

Figure 5 Real GDP Per Capita (US$), 1999-2022



Source: World Development Indicators (Oct. 2023) (World Bank, Washington DC)

Table 3: Nigeria: Poverty Head Count Ratios, 2003 – 2019

Year	Poverty Headcount Ratio (%)	Population of Poor People (millions)
2003-2004	64.2	80.0
2009-2010	62.6	102.2
2019	40.1	89.2
2022	62	133

Source: Poverty Surveys, National Bureau of Statistics, (various years)

Table 4 Gini Index, 2003-2018

Year	Index
2003	40.1
2010	35.7
2012	35.5
2015	35.9
2018	35.1

Source: World Development Indicators, 2023 Oct (World Bank)

III. Conceptualization of Democratic Development State (DDS)

Perhaps the first author to formally conceptualize Developmental State is Chalmers Johnson (1982) when he analysed the state-led industrialization of Japan. According to Johnson (1982), in contrast to the supposedly hands-off (laissez-faire) regulatory orientation in the US, the Japanese Developmental State intervened directly in the economy with strong planning by relatively independent state bureaucracy which also promoted a close government-business relationship whereby governmental support, promotion and discipline resulted in private elite willing to take on risky ventures. Consequently, Japan was able to quickly catch up and become an advanced industrial country.

Interest of scholars, development practitioners and policy makers in the role of the state in economic development was, however, revived towards the end of the Twentieth Century with the publication of a World Bank study, in 1993, in which the Bank attributed the rapid and equitable economic development achieved by the four East Asian Tigers (Hong Kong, Singapore, South Korea and Taiwan) to the neoliberal policies proposed by the Bank while ignoring the role of state-led development in the process. The debate has centred on the efficacy and transferability of Japan-style State-led development in the quest by developing countries to 'catch up' with the developed countries (Amsden, 1989).

Meanwhile, the efficacy of the East Asian style Developmental State as a paradigm for other developing countries seeking to catch-up has attracted attention of economic development scholars and practitioners. Among the initial conditions of the East Asian type Developmental State that may be missing in other developing countries are:

- Strong (benevolent) authoritarian leadership that is committed to rapid, sustainable, self-reliant and equitable development of society (Park Chung Hee of Korea and Lee Quan Yew of Singapore).
- Centralization of authority.
- Presence of an external threat to survival of the society (influence of colonialism and the threat of expansion of communism).
- Weberian bureaucracy[9] with embedded autonomy[10].

Importantly, the context has changed even in the East Asian Tiger countries as they have all transited from authoritarian regimes to democracies. Moreover, many developing countries are federations with multiparty democracy such that the ruling party at the centre may be different from the ruling party at subnational levels of government. Although many of these political parties are not dogmatically committed to a particular ideology, the tendency is to discontinue the programs and projects of the preceding government as a consequence of excessive personalization of initiatives and pervasive neo-patrimonial arrangements, capture as well as endemic corruption.

Against this background, it has become imperative to conceptualize developmental state that is compatible with the prevailing realities in developing countries. For this purpose, Democratic Developmental State has been conceptualized by scholars and development practitioners. According to Edigheji (2005), for instance, "***A democratic developmental state is one that not only embodies the principles of electoral democracy, but also ensures citizens' participation in the development and governance processes***". Thus, the democratic developmental state must emphasize cooperative work and deliberative traditions by bringing people together across party lines, ethnic backgrounds, religious divides and other differences, for the common good. To be effective, citizens will have to organise themselves to be able to participate in consultative arenas or networks of consultative decision-making.

In the same vein, Kanyenze et al. (2017:20), prescribes that a democratic developmental state should:

- ensure that citizens participate in the development and governance processes;

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9 The definition of Weberian bureaucracy is an organizational structure that is characterized by many rules, standardized processes, procedures and requirements, number of desks, the meticulous division of labor and responsibility, clear hierarchies and professional, almost impersonal interactions between employees. In Max Weber's bureaucracy, qualifications and competence are the only basis for hiring and promotion of workers (Harapa School of Leadership, 2021)

10 Embedded autonomy requires Government agencies obtaining detailed information from non-governmental actors in order for them to be effectively involved in economic matters (to minimize challenges of information asymmetry) while at the same time remaining independent of private interests (to avoid capture) (Evans, 1995)

- foster pro - poor, broad - based economic growth and human development;
- be capable of transforming its productive base; and,
- ensure that the economic growth improves the living conditions of the majority of its people.

From the foregoing, it is presumable that in a functioning Democratic Developmental State, state interventions in economic matters are the products of the consensus reached through a process of intensive formal and informal consultations, discussions and interactions among the socio-economic groups in an atmosphere of mutual trust, respect and sincerity of purpose. The groups encompass politicians (especially those in power), bureaucrats, leadership of business interest organizations, leadership of labour unions, academics, journalists and a host of non-governmental organizations and civil society organizations from various sections of society. (Natsuda, 2008:12; Schenider, 2010)[11].The framework within which a DDS can consolidate and operationalize these features and mobilize all actors in a participatory manner necessary to deliver sustained high economic growth, economic transformation and technological sophistication along with equitable distribution of income and eradication of poverty has been dubbed Public-Private Interface (PPI) by Ajakaiye (2013); and, Ajakaye and Jerome (2015). To fix ideas, the concept of PPI as a framework for building a democratic developmental state is summarized next.

IV Conceptualization of Public-Private Interface Framework for a DDS

From institutional perspective, public-private interface can be conceived as the rules, organization and social norms that facilitate coordination of the actions of public and private agents and organizations working together in pursuit of shared consensual development goals. Perhaps the first person to point at the efficacy of consensual public-private interface in advancing economic development is Kaplan (1972). In introducing his study of Government-Business Relationship in Japan, Kaplan said:

"...Japanese businessmen take it for granted that there will be a continuous dialogue between business leaders and government officials, and that neither will make major policy decisions or undertake major projects without consulting each other. Japanese business as a whole does not object to its government's active involvement in business matters. ..Conditioned by cultural and historical influences, Japanese business accepts, though perhaps more reluctantly as time goes on, the government's leadership role.

...In those early days, government did not hesitate to encourage the development of industry by any means. It built, owned, and operated new types of factories to demonstrate to would-be industrialists what needed to be done. The government also encouraged private enterprise and initiative by introducing the corporate form of business venture and the joint stock company. In the decades since then, the Japanese business community has grown to look to the government for financial and other forms of assistance.

[11] It has been opined that a more inclusive PPI with participants from various segments of society including labour unions and civil society organizations would encourage opposition to special favours for one sector or firm and constrict possible avenues for rent seeking (Herzberg and Wright, 2005:7-8; Campos and Root (1994:102-3)

The continuous interaction between business and government in Japan has been summed up by a pungent phrase. In the United States, corporations and government generally each work in their separate spheres. In Japan, outsiders at least seem to be dealing with something that popularly has come to be called, "Japan, Incorporated."

According to Kaplan (1972) the concept of 'Japan Incorporated' can be credited to the Vice Minister of MITI, Yoshihisa Ojimi, in a speech before a special meeting of the industrial committee of OECD in June 1970[12].

IV.1 Institutional Arrangements for PPI

Typically, the institutional arrangement for building and sustaining a consensual PPI is deliberation council which is considered by many scholars to be crucial in solving the problem of information asymmetry in policy making. Functionally, there could be deliberative, consultative, implementation and oversight councils or combinations thereof.

A *deliberative council* is usually tasked with the function of discussing policy options, set policy direction or make specific policy recommendation to executing agencies. Such councils are quite common in Asia.

A *consultative council* can also be set up as a consultative forum where government representatives present policy proposals or decisions to the council for feedback and suggestions.

An *executive and implementation council* can be tasked with the function of deciding on the specifics of how broad policy guidelines are to be implemented.

An *oversight council* monitors results and performance of private and public sector agents in fulfilling set policy goal. See Schneider (2010) for further discussions on the functions and impact of business-government relations.

These councils are typically configured in a cascading manner. There is, usually, a central coordinating council and sectoral and sub-sectoral councils. In a federal system like Malaysia, for example, there could be central, sectoral and sub-sectoral councils at various tiers of government. The sectoral configuration will, of course, vary depending on the key sectors in the relevant jurisdiction. See Datuk (2010) for an example of the institutional framework for PPI in Malaysia.

As said earlier, PPI facilitates interaction among public and private agents in pursuit of shared consensual development goals. Like other institutions, PPI should evolve as development progresses. Specifically, the structure, scope and contents of PPI should change to take

[12] MITI Vice Minister Yoshihisa Ojimi, "Basic Philosophy of Japanese Industrial Policy," Speech before a special meeting of the Industrial Committee of OECD, Tokyo, June 24, 1970 cited in Kaplan (1972), footnote 8, p.66.

maximum advantage of the changing strengths, manage weaknesses and respond to the circumstances of the interacting agents. For example, the structure, scope and content of PPI in Japan during the 1950s and 1960s are quite different from what it is today. The same is true of South Korea and Malaysia.

The key drivers of institutional change from the point of view of PPI include changes in the capability and sophistication of private agents and, relatedly, their readiness/willingness to assume greater responsibilities in the tasks of enhancing development; and changes in the constellation of interest of agents. See Chang and Evans (2005) for an elaborate discussion of causes and consequences of institutional change. In the case of Japan, for example, the institutional architecture of the PPI has changed from the dominance of Ministry of International Trade and Industry (MITI) which held sway during the early stages of Japanese development to one where agencies such as JICA, JBIC, NEXI and JODC now play significant roles as Japan Incorporated goes regional (Natsuda, 2009).

In the case of South Korea, the contents of the PPI which was characterized by extensive technical and large scale preferential financial support and controls by the state to operators in specific industries in the early stages of development is gradually giving way as the private sector organizations have become so strong as to raise capital from international market (Chang and Evans, 2005). The Korean middle class that was nurtured and grown during the early stages of developmental state began to challenge the policy of 'buy Korea', for example, thus calling for liberalizing imports of competing consumer goods. In response, the Government of Korea embarked upon a series of institutional reforms that appeared to be anti-developmental state in outlook. However, it may indeed reflect an important attribute of a developmental state, namely, the capacity to make pragmatic changes as the circumstances change. This is evidenced by the swift reactivation of the familiar developmentalist devises during the Asian financial crisis of 1997 that had been jettisoned just a couple of years earlier. See Chang (2005), for an account of the institutional and policy changes in South Korea in the 1990s.

IV.2 Requirements of Public-Private Interface Framework for a DDS

There is general agreement among scholars that state capacity, insulation of technocratic policy making process and embeddedness of the state *vis-a-vis* the non-state actors and agents are crucial for effective PPI as a framework for building a durable and effective democratic developmental state. (Rueschemeyer and Evans, 1985; Evans, 1995; Grindle, 1996; Chang and Evans, 2005; Silva, 2000; Datuk 2010; among others). Following Grindle (1996), state capacity is the ability to set the terms for public-private interactions and to carry out actions assigned to the state. The functional areas of state capacity are capacity to:

- set and enforce rules guiding PPI;
- identify development challenges;
- identify and analyze alternative policy options for dealing with the challenges;
- effectively, efficiently and equitably implement the tasks assigned to the state; and
- monitor implementation as well as assess outcome or impact.

Insulation of technocratic policy making process from undue influence and possible capture by interest groups or individuals requires a Weberian bureaucracy characterized by:

- meritocracy in recruitment and advancement,
- tenure security,
- competitive remuneration and
- zero tolerance for corrupt practices.

This requirement has been called bureaucratic autonomy. Embeddedness requires interactions with the non-state actors and organizations in an environment of mutual trust, respect, honesty, transparency and sincerity of purpose thus minimizing the problem of information asymmetry. A combination of state capacity, bureaucratic autonomy and embeddedness is required for effective PPI framework for ensuring a durable and effective DDS.

One point that is rarely noted in the literature is the fact that effective embeddedness also requires corresponding capacity of the non-state agents and organizations. Specifically, while private business interest organizations should be able to build and sustain technical capacity of their organizations for identifying development challenges, identifying and analyzing alternative policy options for dealing with the challenges, implementing the tasks assigned to them as well as participate in monitoring implementation and impact assessment, several other non-state agents and organizations will require capacity building and support to contribute to these processes. This is particularly true for the indigenous NGOs and CSOs as well as the Labour Unions, especially in small developing economies. It is pertinent to note that the void created by the failure to effectively capacitate these organizations through provision of technical and financial support from internal sources is being filled from external sources with the associated perceived or real risks of the familiar ‘he who pays the Piper dictates the tune’ syndrome.

IV.3 Features of PPI for a DDS in Three Archetypal Developing Economies

As said earlier, the features of PPI to support a DDS should take account of the structure of the economy, the modes of state intervention in the economy and the scope and function of the institutional arrangement for PPI. To this end, three archetypal economies can be identified, based on the dominant sector, viz,:

- Primary production (peasant agriculture and MNC dominated extractive industries) dominant economy (**Type I Economy**),
- Secondary (manufacturing) dominant economy (**Type II Economy**)
- Tertiary (modern sophisticated services) dominant economy (**Type III Economy**)

An economy is considered to be dominated by a specific sector if the sector accounts for the largest share of real GDP at the relevant point in time. However, as the economy develops, its structure will change from that dominated by primary production activities to that dominated by secondary production activities and subsequently to that dominated by tertiary modern services activities. It should be noted that dominance by a particular sector does not imply complete atrophy of any of the other sectors as this will detract from the much desired intensive inter-industry transactions and linkages.

For the purposes of PPI for DDS, leaderships of the following five groups of agents can be identified, namely,

- Public sector agents made up of political leadership on the executive and legislative arms of government, the bureaucrats, managers of SOEs including managers of regulatory institutions, especially the central bank and other financial sector regulatory institutions
- Local (indigenous) modern private business sector agents
- Peasants and informal service sector agents.
- Labour unions,
- Civil society organizations and Non-governmental organizations

Against this background, salient features of PPI for sustainable DDS for each of the three archetypal economies are presented below and summarized in Table 5.

IV.3.1. Type I Economy: Primary production (peasant agriculture and MNC dominated extractive industries) dominant economy

Beginning with ***Type I economy***, it seems reasonable to assume that the peasantry and informality characterize most of the activities with the exception of the MNCs operating in the extractive industries; the level of education and literacy rate of the indigenous population are modest; the few local modern sector agents concentrate on trading activities. The MNC dominated extractive industries are enclaves. In such a circumstance, ***public sector agents*** are likely to be relatively weak. As a result, they rely on technical assistance mainly from development partners to carry out the basic development policy and planning functions[13]. The subsisting ***local modern private sector agents*** are likely to be even weaker and, without the benefit of technical assistance, they are passive participants in any form of PPI. The ***peasants and informal service sector agents*** are large in number but unorganized such that they are not in a position to participate in any form of PPI. They are practically unconnected to any PPI institutional arrangement. In resource rich countries like Nigeria, the MNCs dominate the extractive industry and they are essentially enclaves with little or no linkages to the rest of the economy. Typically, governments in such countries focus more on extracting large proportion of resource rents paying little or no attention to the need to develop locally owned and operated leads firms in the industry. Similarly, governments of such countries concentrate more on export of crude extractive industry products paying limited attention to promoting local beneficiation/refining industries and the implied multiplier effects on the domestic economy. The ***labour unions***, dominated by public sector workers tend to be passive and at best reactive while the CSO and NGOs are typically too few and have weak analytical capacity to be active participants in any PPI initiative.

[13] See Ajakaiye (2014) for a discussion of the components of these policy and planning functions along with the capacity to undertake them in each of the three archetypal economies

In such circumstance, perhaps the most likely ***institutional framework for PPI is*** **consultative council**. However, the few local modern private sector agents are likely to use the PPI framework for rent-seeking and capture. This calls for a strong political leadership that is committed to transparency. Also, the political leadership should imbibe the tenets of Weberian bureaucracy.

In terms of the mode of ***state intervention***, investment in social overhead capital, in particular investment in economic infrastructure (transport, energy, communications, etc) as well as social infrastructure (education, health, water and sanitation, community development, environment, etc) are perhaps the most important of the three modes. The State should also establish SOEs to get things started in several areas of industry, especially, labour intensive manufacturing so as to reduce the proportion of people in vulnerable employment and minimize incidence of working poor. Policies and programmes should be designed to support the emergence and strengthening of local industrialists who should be encouraged to acquire and successfully operate the SOEs at the earliest possible time. In particular, appropriate financial, monetary, fiscal and other support mechanisms should be put in place to support the development of local industrial entrepreneurs. It is pertinent to recall that this approximates the reality in post-war Japan as well as post-independence Korea and Malaysia. This also approximates the situation of immediate post-independence Nigeria and several other African countries.

IV.3.2. Type II Economy: Secondary production dominant economy

Turning to the case of an economy where secondary production activities are dominant, the ***public sector agents*** tend to be more capable but they still rely on technical assistance from development partners in carrying out development policy activities. However, they are able to, at least, present policy options and obtain feedbacks from private sector agents. The ***local modern private sector agents*** have grown in number and they, invariably, have established business interest organizations that are stronger than hitherto. While they may, as yet, be unable to present alternative policy options, they may, at least, be able to provide feedback as to the likely impact of the different policy options on business sector in general.

The ***numerous peasant and informal services sector agents*** may remain unorganized but on account of growing linkages with the modern private sector agents, their interests would have been indirectly reflected in the feedback provided by the local modern private sector agents. The ***labour unions*** would have become more active as the membership would have been enlarged and the dominance of public sector workers in the unions would have reduced considerably. The labour unions may also not be able, as yet, to present alternative policy options but they would be able to provide feedback on the likely impacts of the proposals presented by government on employment, wages and well-being of workers. The ***CSO and NGOs*** would have also become active in providing feedback on how the proposed government policies are likely to affect the various interest groups they represent.

Accordingly, the ***institutional framework for PPI is likely to remain largely consultative*** but some of the local modern private sector agents should be encouraged to undertake implementation of certain activities either alone or in partnership with their foreign counterparts. Since the participants in the PPI represent different interest groups, rent seeking tendency and risks of capture are likely to be rather constricted.

State intervention modes should continue to be dominated by investments in all aspects of social overhead capital. Some of the SOEs in sectors where the uncertainties and risks have been eliminated or significantly reduced could be sold to local entrepreneurs who should be supported and encouraged to partner with their foreign counterparts in order to benefit from necessary international production and supply networks as well as technology transfers. The proceeds of sales of such SOEs should be combined with fiscal and, if necessary public loan facilities, to finance new SOEs in new frontier activities/sectors. Government should actively seek out and support local industrialists to acquire these SOEs and operate them profitably and competitively. In essence, the establishment and sale of SOEs should be part of the design to create local industrialists thereby strengthening the PPI. Correspondingly, financial and other policies should be designed to support and strengthen the local industrialists who will deepen economic diversification, create more decent employment opportunities, reduce the proportion of vulnerable and/or working poor, especially in the informal sector thereby delivering inclusive development and supporting a DDS.

Nigeria and several other African countries approximated this situation by the end of the 1980s when the Lagos Plan of Action and a series of medium-term plans which undergirded their development policies and programmes were implemented to varying degrees. However, following the collapse of commodity prices in the mid-1980s, the active promotion of neoliberal economic policies, its embedded minimalist state syndrome supported by the erstwhile Washington consensus and the subsequent adoption of the IMF/WB advocated SAPs, the nascent industrial base and economic diversification attained by Nigeria and many other African countries during the first two decades of independence were wiped out. The economic structure of Nigeria and most other African countries returned to where they were immediately after independence where they produced and exported crude agricultural and extractive industries products and they imported industrial goods.

IV.3.3 Type III Economy: Tertiary (modern sophisticated services) dominant economy

Finally, in economies where modern sophisticated technology intensive tertiary service is dominant, the ***public sector agents*** tend to be quite capable of carrying out development policy activities with minimum or no technical assistance from development partners. Indeed, such countries might have also become providers of technical assistance to other developing countries. They are therefore able to effectively present policy options and obtain feedbacks from private sector agents. They are also able to collate concrete proposals from other stakeholders and harmonize them to come up with options around which consensus could be built.

The ***local modern private sector agents*** would have become very large in number, size and technological sophistication. Indeed, several of them would have become lead firms in their respective sectors. Quite a number of them may have become MNCs. Their business interest organizations would have become very strong and well resourced such that they can provide inputs into all aspects of development policy and planning which was hitherto the exclusive preserve of the public sector agents with varying degrees of influence/dictation of development partners.

The ***peasant and informal services sector agents*** may remain large and unorganized but quite a few of them would have been transformed and formalized, swelling the ranks of local modern private sector agents. Several of them would, however, remain SMEs linked with the large scale local, foreign or joint venture industrial establishments thus making enclave activities less preponderant in the economy. Meanwhile, the interests of the dwindling peasants and informal service sector agents will continue to be reflected in the proposals and feedbacks provided by the modern sector agents on account of intensified linkages among them.

The ***labour unions*** would also have become very active as the membership would have been enlarged and diversified. The labour unions may also be able to present alternative policy options, like the modern private sector agents as they may already establish well resourced organization for that purpose. The CSOs and NGOs could remain largely reactive but some of them may have capacity to make use of the evidence provided by other organizations, especially public research organizations, in their advocacy activities.

In this type of economy, the ***institutional framework for PPI is likely to be the full fledged Deliberation Councils*** similar to what obtains in South Korea and Malaysia encompassing a combination of deliberative, consultative, executive and oversight functions. At this stage, virtually all stakeholders participating in the Deliberation Council will regularly and proactively present alternative options for addressing challenges they perceive and/or face. By this time, several of the local modern private sector agents would offer to undertake implementation of certain activities either alone or in partnership with government and/or their foreign counterparts. On account of the strength and significance of the contributions by all various participants in the PPI, rent seeking tendencies and risks of capture are likely to be less attractive as the chances of detection and remedial action by all stakeholders would have been significantly higher.

State intervention modes would continue to be dominated by investments in all aspects of social overhead capital. New SOEs are likely to be limited to frontier shifting activities and so few that they may be imperceptible to the ordinary citizens until the uncertainties and risks embedded in the frontier activities have been significantly reduced and the private business organizations are encouraged to hop on the easier part down the road a la Mazzucato (2015:1). Where and when necessary, SOEs could be established to prevent things from falling apart as was the case in Europe and United States during the 2007/08 global financial crisis. Financial and other policies would be designed to support and strengthen the new and small scale local industrialists who will contribute significantly to sustaining and deepening economic diversification, the creation of ample decent employment opportunities, reduction of the proportion of vulnerable and/or working poor consistent with the aspirations of a DDS. The established large scale national lead firms should be able to compete internationally and secure financial requirements from the international financial markets. Correspondingly, suitable institutional arrangement to facilitate activities of such organizations should be put in place on a proactive basis.

There are very few African countries that approximates this ***Type III Economy***. The closest to this type of economy in Africa may be South Africa, Mauritius, Morocco, Egypt and Tunisia. Many African countries at best approximate the initial stages of Type II Economy (the secondary activity dominated economy) having lost the momentum to be firmly established as Type II Economies, no thanks to the uncritical adoption of the erstwhile IMF/WB inspired SAPs. Indeed, currently, quite a number of African countries are struggling to transit from Type I Economy to Type II economy.

Table 5: Features of Public-Private Interface for DDS in Three Archetypal Economies

Groups of Agents/Operators	Primary Production Dominant Economy **Type I Economy**	Secondary Production Dominant Economy **Type II Economy**	Tertiary Production Dominant Economy **Type III Economy**
Public Sector Agents	**Passive**; heavy reliance on assistance from Devt Partners in development policy making activities	**Active**; considerably less reliance on devt partners in development policymaking activities	**Very Active**: limited or non-existent assistance from devt partners in development policymaking activities
Local Modern Private Sector Agents	**Passive**: too few in number, weak or non-existent Bus. Interest Organization	**Active**: large and increasing membership, strong Bus. Interest Org	**Very Active**: Very large membership, very strong Bus Interest Org
Peasants and Informal Service Sector Agents	**Disconnected**: very large number, weak or non-existent Bus. Interest Organization	**Active indirectly**: Through linkages/networking with growing modern sector agents.	**Very Active directly and indirectly:** Transformed to formality through upgrading/stronger linkages/networking with modern sector agents
Labour Unions	**Passive**: State sector membership dominance	**Active**: Increasing number of non-state sector membership	**Very Active**: No-state Sector membership dominance
CSO, NGOs	**Passive**: Few in number and Weak organizations	**Active:** large in number and strong organizations	**Very Active**: Very large in number and very strong organizations
Mode of State Intervention	Investment in SOC; Establishment of SOEs mainly to get things started; promotional/stabilization policies	Investment in SOC; Establishment of SOEs mainly to get things started in frontier activities; SOEs in matured activities are sold to indigenous private entrepreneurs who are encouraged to partner with their foreign counterparts; sustenance of promotional/stabilization policies	Investment in SOC; investments in SOEs are large imperceptible and restricted to innovation and mission driven frontier activities/rescue programmes; indigenous private entrepreneurs are supported/promoted to become lead firms and MNCs; sustenance of promotional/stabilization policies

PPI Institutional Arrangement	Consultative	Consultative plus some implementation	Deliberative, Consultative, Implementation and M&E (Oversight)

VI. Features of PPI for A Durable and Effective DDS in Nigeria

Evidence from the review of Nigerian development experience since 1999 presented in Section II.2 above suggests that Nigeria has not been able to be established firmly as a Type II economy. As said earlier, adherence to neoliberal minimalist state paradigm by Nigeria's political leadership since 1999 and consequential failure to deploy the wide ranging powers granted to the Nigerian State by the 1999 Constitution (as amended) to harness the resources of the nation and promote national prosperity and an efficient, dynamic and self-reliant economy resulted in placing Nigeria at the initial stages of Type II Economy. In order to effectively, efficiently and equitably deploy these powers by the Nigerian State and establish the Nigerian economy firmly as a Type II and to progress to Type III economy as soon as possible, as well as guide the changes necessary to establish a virile DDS in Nigeria within the shortest possible time, the current and desired features of PPI framework for a DDS in Nigeria is summarized in Table 6.

Table 6: Current and Desired Features of PPI for An Effective DDS in Nigeria

Agents/Actors/ Activities	Current Features of PPI in Nigeria	Desired Features of PPI in Nigeria
Production Activities	**Disarticulated** Rudimentary informal services and Primary Production Dominate production activities; Crude material (petroleum, mining) dominate export and manufactured consumer goods and refined petroleum products dominate imports	**Integrated, Dynamic diversified self-reliant technologically sophisticated** primary and secondary production and modern services characterize production activities; manufactured products dominate exports and technology and knowledge intensive producer goods dominate imports
Public Sector Agents	**Passive**, personalistic, predatory, secretive, exclusionary, patrimonial and extractive; weak and, hence, considerably reliant on assistance from development partners in	**Proactive**, Weberian bureaucracy that is professionalized, motivated, competitively compensated, competent, secured; willing, ready and able to interface with other stakeholders in an environment of transparency, mutual respect, trust and

	development policy making activities; aversion to effective participatory development planning complete with well articulated, phased and widely publicized public sector investment programme; susceptible to capture by interest groups and individuals euphemistically referred to as CABAL.	sincerity of purpose; committed to participatory development planning; zero tolerance for corruption, impropriety and nepotism; impervious to capture by interest groups and individuals, i.e. zero tolerance for CABAL tendencies.
Local Modern Private Sector Agents	**Active**: personalistic, predatory, unpatriotic, compromising, patrimonial and extractive; weak (non-committal) to national development aspirations; institutionally weak; unwilling/unable to interface with other stakeholders, unnecessarily secretive, willingly subservient to foreign counterparts of doubtful integrity; morbid rent seeking; poorly resourced businesses. Interest Organizations; high tolerance for corruption, impropriety and nepotism	**Active**: competent, efficient, professional, patriotic, commitment to supporting, promoting and protecting national development aspirations/interests; well resources, large membership, strong business interest organizations; zero tolerance for corruption, impropriety and nepotism
Peasants and Informal Service Sector Agents	**Practically disconnected** from domestic modern sector agents and activities (weak linkages): very large number, weak or non-existent business interest organization; individualistic, operating at the lower end of the value chain; high tolerance for corruption, impropriety and nepotism	**Active**: strong linkages/networking with growing modern sector agents; commitment to supporting, promoting and protecting national development aspirations/interests; aversion to corruption, impropriety and nepotism; strong and well resourced business interest organizations able to negotiate equitable distribution of income and wealth along the value chain as well as supporting upward movement along the value chain
Labour Unions	**Active**: Increasing number of non-state sector membership but still dominated by public sector; willing to promote, support and propose policy options to advance welfare of members with strong emphasis on rising remuneration/benefits	**Very Active**: increasing dominance of non-state sector membership; professional, commitment to supporting, promoting and protecting national development aspirations/interests; well resourced, strong and independent labour organizations; zero tolerance for corruption, impropriety and nepotism; promote good work ethics and

		fidelity; vigorously resist capture by interest groups or individuals, i.e. the CABAL
CSO, NGOs	**Relatively active**: Few in number and Weak organizations; poorly resourced, chronically dependent on external support; advocacy activities; weak institutionalized analytical capacity	**Active:** large in number and strong organizations; diversified source of financial resources and hence relatively independent; strong knowledge driven advocacy activities; strong and independent institutionalized analytical capacity
Mode of State Intervention	Concentrated on SOC investments and stabilization policies; Unjustifiably high cost of projects, inefficient, uncoordinated investment in SOC not based on participatory development planning process; excessively personalized and patronizing disposition of political leadership; preponderant prodigal privatization of SOEs and other public assets including allocation of oilwells to private individuals on questionable neo-patrimonial basis; characterized by endemic corruption, asset stripping, uncomplimentary and poorly conceived and corruptly implemented stabilization, concession and subsidy policies and programmes	Investment in SOC and directly productive activities and projects anchored on broad based participatory development planning; mature SOEs are sold to indigenous private entrepreneurs who are committed to sustaining and growing the privatized entities; new SOEs are established mainly to get things started in frontier activities or to prevent things from falling apart in case of adverse developments in the private sector or in the economy at large (e.g. COVID 19 pandemic, the 2014 collapse of international crude oil price and the2007/8 Global Financial Crisis); sustenance of well articulated and efficiently implemented stabilization policies anchored on broad based participatory development planning process.
PPI Institutional Framework	**Exclusively Consultative** in an environment of mutual distrust, suspicion, adversarial relationship inspired by sterile debate on supremacy/superiority of public versus private sector agents and organizations.	**Full-fledged, effective and optimally and functioning Deliberation Council** under the guidance of a democratic developmental state that is free and able to combine public and private institutions and policy instruments dynamically and pragmatically in ways necessary to initiate and secure efficient, effective and equitable economic development envisaged in Section16(1) of the 1999 Constitution as amended.

VII Conclusions and Recommendations

VII.1 Conclusions

On the basis of the experiences of East Asian developmental states, those of the democratic developmental states of Nordic countries and the experiences of aspirant democratic developmental states of Ethiopia, South Africa, Botswana, Mauritius, Brazil and India which are copiously elaborated by Tapscott, et.al. (2018), it can be concluded that the success of a democratic development state rests squarely on:

- ✓ Commitment of the political leadership at all levels of government to maximizing welfare of the society as a whole;
- ✓ Creation and maintenance of a competent and highly motivated basically Weberian bureaucracy with embedded autonomy, ability and authority to carry out all development policy activities including formulation of sound development policies and plans as well as vigorously and pragmatically implementing them
- ✓ Strategic and pragmatic state intervention aimed at
    - investing in people, science and technology;
    - investing in social, institutional and economic infrastructure;
    - investing in frontier shifting innovation-led activities; and
    - efficiently and effectively nurturing, supporting and promoting development of world class indigenous private sector operators, organizations and institutions able and ready to interface with government and also partner with their foreign counterparts in acquiring and expanding privatized SOEs to their mutual benefits and complementary to national development aspirations.
- ✓ A cooperative, complementary and collaborative PPI and avoidance of inordinate adversarial relationship among public and private agents based on misconceived realities of public versus private myth;
- ✓ A realization that the pragmatic choice is not between the state and market but between different combinations of public and private institutions and instruments by the state in delivering sustainable and equitable prosperity and maximum welfare to the society.
- ✓ Avoidance of capture and rent seeking behavior by all partners and stakeholders
- ✓ Readiness to adjust policies once credible and convincing evidence shows that certain strategies and policies are no longer efficacious in light of emerging circumstances and realities.

VII.2 Recommendations

Against this background, systematic and sustained implementation of the following recommendations should be instrumental in establishing a PPI framework for a successful DDS in Nigeria:

- Political leadership at all levels of government must be committed to development of the society transparently, effectively and equitably. This calls for sustenance and deepening of democratic institutions that build consensus around development agenda thereby depersonalize development agenda in order to secure continuity of development programmes after the political leadership changes as a result of election cycles. In short, the political leadership is essentially the Chief Executive Officer of '***Nigeria Incorporated'***. To this end, a participatory short term (i.e., annual budgets), medium and long-term national and sub-national development planning process should be institutionalized. New political leadership should, therefore, be encouraged by other stakeholders in the '***Nigeria Incorporated'*** project to offer better strategies for building the consensual national and sub-national development agenda encapsulated in the subsisting participatory national and sub-national development plans and should be discouraged from unilaterally setting personalized development agenda not anchored on the subsisting national or sub-national development agenda.

- Re-building capability of the Nigerian State at the Federal, State and Local Government levels. Under SAP and the neoliberal dogma of minimalist state, which held sway in various forms since 1999, the Nigerian state capacity has been severely degraded and the development guard rails were dismantled and destroyed. There is an urgent need to restore the Weberian bureaucracy with adequate autonomy and embeddedness.

- The Weberian bureaucracy should be highly professionalized and effectively insulated from undue interference by any stakeholder, especially the political class who may be in league with the business class to secure and protect undue advantages inconsistent with and injurious to the consensual national/sub-national development aspirations and agenda.

- All stakeholders, especially the political elite, should realize that the state is created by the people primarily to enhance their well-being regardless of the specific segment of the society they may belong. Accordingly, holders of political and public offices should realize that they are agents and the people are the principals. Therefore, there is no place for adversarial relationship among the agents, be it public, private business, labour unions, CSOs or NGOs. Nevertheless, the political and public office holders should be ready to provide leadership and build a rolling consensus around policies and plans aimed at advancing the well-being of the people. In short, the political and public office holders should avoid personalized and neo-patrimonial tendencies in order to prevent capture by unpatriotic corrupt private individuals and their public sector collaborators (the CABAL) and avoid dangers of discontinuity in the implementation of the consensual development agenda to the detriment of all.

- Every agent should subscribe to the concept of '***Nigeria Incorporated'*** and the view that the society is a corporate entity jointly owned and operated by all members and for which all must work in concert in pursuit of shared development agenda in an environment of transparency, mutual trust, respect and sincerity of purpose.

- As part of the on-going efforts to amend the 1999 Constitution, Section 16 of the 1999 Constitution which provides a constitutional foundation for a DDS in Nigeria should be made justiciable thus making its provisions mandatory and enforceable. Specifically, Section 16(2a) which states that the State shall direct its policies towards ensuring the promotion of a planned and balanced economic development should be strengthened to make planning mandatory at Federal and State levels. In addition, the Fiscal Responsibility Act should also be amended to prescribe, *inter alia*, that the capital programme of an annual budget, which is essentially an annual plan, should derive from an underlying medium term plan to ensure effective plan implementation. Deviations from the capital programmes in the medium-term plan should be justified to the satisfaction of the Legislature. Importantly, the amendments should prescribe penalties for non-compliance with the relevant provisions of Section 16 including impeachment of erring officials.

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