Introduction

Considerable attention has been given over the years to studies on strategic planning as a significant management technique in achieving long term goals of the organization. This consistent search for better ways of doing job, of overcoming business threats and exploiting opportunities, developing appropriate strategies, achieving competitive advantage and changing the fortunes of the organization has continued to engage the energies and resources of corporate managers whether in public or private domain of enterprise in developing countries. The expansion and increased complexity of governmental activities in the new states of Africa and the rest of developing world and the demands and impact of globalization on their economies have meant that appropriate adaptive responses are needed not only to keep businesses afloat but necessarily at the macro level, to meet development needs of the state. This realization is becoming more acute in private sector businesses as they are for political decision-makers who are beginning to recognize the potential gains of comprehensive planning and the need to professionalize the national bureaucracy as a powerful instrument of state for development.

This paper examines the concept and practice of strategic planning and, in particular, the theoretical and empirical relevance of the concept for developing countries. Because corporate planning has almost always remained, theoretically at least, in the purview of private profit business, an attempt is made to relate the concept and practice to the macro domain and examine the nature of public planning and planning practice in three selected developing countries: India, Nigeria and The Gambia which mutatis mutandis applies to other developing countries.

A most simple conception of corporate planning is that it represents the actual procedure by which direction and destination of an organization is managed. Gorge Steiner (1969:20) observes that planning is a process that begins with setting objectives, defines strategies, policies, and detailed plans to achieve them. Plans and planning are inevitable and it means that a ship without a captain, air-ship without a pilot, or a business without management or some kind of planning will certainly wreck. However, planning evolved over the years from extrapolative to business planning and to portfolio planning (Lorange: 1980).

Extrapolative planning evolved from an environment marked by the relatively stable and rapid growth of the 1960s and its major purpose has been to overcome the financial constraints of the organization and so has often been associated with budgeting process remaining largely numbers oriented. It is a planning system characterized by detailed
revenue and expenditure estimates based on current information and bottom-up initiatives as departments are charged with the responsibility for planning while real top-bottom/bottom-up dialogue is absent because management input in the planning process in very minimal. Because the entire planning process is essentially routine in nature, extrapolative planning tend to be unsuitable for long range planning and incapable of dealing with turbulence and constraints of planning environment.

Business planning on the other hand appears to be more appropriate to respond to constraints and turbulence of business environment and so became a regular feature of planning in the 1970s marked by unstable pattern of socio-economic and technological changes. The major focus of this planning method was product attractiveness and competitive strength, and so strategies were developed to reposition the firm and its product. However, actual planning was done at the business level and consolidated at corporate level without much original corporate management input besides lacking in centralized and unified initiatives as it focuses principally on each business unit. Nonetheless, the strength of business planning lies in its ability to account for the competitive environment in order to develop strategic plans.

The present day world of business, which is more or less globalized, warrants a planning method that takes an overall corporate view, structures the various business unit perspectives into an overall corporate picture and so allows planning inputs to be received from both corporate and divisional levels reflecting thereby a more balanced top-down/bottom-up dialogue. This planning method has often been described as portfolio/corporate planning. It seeks a comprehensive strategic recourse balance which involves a consideration of what resources to allocate and where these resources should come from.

Comprehensive planning, sometimes described as strategic planning or management, has a strong military origin. Strengths and weaknesses, objectives and missions, tactics, etc are terms first used to describe battlefield situations. Relating the concept to military processes Webster’s New World Dictionary defines strategy as “the science of planning and directing large scale military operations, of maneuvering forces into the most advantageous position prior to actual engagement with the enemy.” It is therefore science-based and adaptive. Strategic planning (or developing strategies and policies for achieving objectives) describes those processes involved in producing plans, often called strategies that identify the basic objectives and concrete actions necessary to implement them. This aspect of planning calls for audit of the planning environment to identify needs, constraints and opportunities, internal strengths and weaknesses of the organization and its resources and capabilities.

Corporate planning is traditionally associated with the business world and has only limited or perhaps different kind of application in public sector organizations. Some excursion into the nature of strategic planning in its traditional setting may provide a framework for comparing and perhaps throw some light on how and to what extent this concept applies in the public domain. First we examine the nature and key concepts in strategic management. Business strategy is formulated and implemented on the assumption of competition, and used essentially for long range planning; it optimizes for the future the trends of the present day. For Peter Drucker(1954), the strategist makes
current decisions for tomorrow’s results, scans business environment for threats and opportunities, matches the organization’s strengths to the weaknesses of those of the competitors, and develops strategies by which long term objectives can be achieved. For a typical business such strategies may include territorial expansion, product development, market penetration, acquisition, diversification, joint venture, retrenchment and liquidation.

Successful strategic management will depend on effective communication, and it is in fact in line with recognition of the significant place of communication that a new concept of strategic planning emerged. The traditional concept of the term strategy as ‘management plan to achieve long-term objectives of the organization …has indeed proved inadequate’ and strategies are increasingly understood as ‘outcomes of an ongoing organizational process involving a range of contributors rather than as pre-decided plans produced by specialist strategy makers’ (Leopold: 2005:15/16) These views are supported by the works of other scholars: Tyson: 1995, Purcell: 2001, Quinn: 1980, and Senge: 1990. Strategies are seen as evolving pattern, a pattern which unfolds over a time in which formal plans can be found to occur to a greater or lesser extent. Strategy formulation of successful organizations follows a gradual process of evolution, a ‘process of logical incrementalism’ driven by conscious management thought as against systematic pre-shaped strategic plans. Though the process evolves by means of communication and participation by all stakeholders, it is given impetus and direction by strategic managers.

From the preceding discussion it follows that strategy making is as evolutionary as it is interactive becoming a rather adaptive learning process and so takes its shape from an amalgam of economic, personal and political imperatives. The framework of strategy making is thus processual in nature and consequently incremental in approach. It is in fact this understanding which underscores the increasing attention given to the internal and external forces underlying strategy making process. For instance, the choice of strategy option will be influenced by such factors as managerial politics, various interests and values of key stakeholders, and issues in the organizational environment.

*Fundamental Differences in public planning Domain*

Business and public sector strategies are formulated on quite different assumptions. While business strategy is developed on the assumption of competition for limited market share, public plans are developed in pursuit or promotion of public interest in a politically charged environment. While private corporate planning responds to the dictates of economic rationality, public planners respond to requirements of social responsibility, that is, the promotion of public interest on which agency activities are judged. The thrust and emphasis of public planning is social responsibility, though however, while in pursuit of this, planners maintain a degree of political neutrality and rely heavily on optimizing techniques such as operations research, systems analysis, information systems application, and construction and use of long range forecasting. They use such key policy subjects and concepts as costs and benefits, cost effectiveness, zero budgeting, and program evaluation.

Goals, mission and vision also differ significantly. While the principal goals of most businesses may be economic and financial, public agencies may often have multiple
goals. While some public sector organizations may have non-profit, service based purposes (as do public agencies and ministerial departments), others may have both profit and non-profit purposes (as do public enterprises) sometimes operating in monopolistic markets (as do public corporations) with profit as secondary business motive while providing services considered vital to public interest. Such strategic areas of public interest will include power generations and distribution, petroleum resources, communication, health, environmental control, tertiary education, mining, etc. In addition to formal goals such as organizational effectiveness, public organizations do often develop informal goals, particularly survival.

Public management is organized around these formal and informal goals in a distinctively public context. Strategies packaged in public programs and projects as well as in other forms are chosen by public agencies in pursuit of their goals, and how program implementation achieves these goals will depend on a number of factors such as national interest, clientele groups’ interests, prevailing political climate, changing public expectations, politico-legal constraints, repertoire of specialist skills, technological advances, and other trends in the political system. The political system therefore constitutes the planning environment.

However, while plans and strategies are often stated in a number of elements, resource allocation has always remained the principal means of implementing them. Consequently, an organization’s budget, which embodies its resource allocation decisions, has become the only visible manifestation of its strategic planning process. Here then we examine the nature of public budgeting.

Public Sector Budgeting

Planning in the public domain consists mainly in budgeting plans. The budget embodies a plan articulated in financial terms or allocation of funds for execution of projects and programs of government within a given time frame in order to achieve pre-determined program objective(s). The budget can, and often is, formulated to become a useful tool for planning. It may however serve other purposes such as providing for rigidity, control, limiting spending, or contributing to change as it enables policy/program evaluation. Budget commitment can be made either in terms of cash promising to pay so much in the next year, or in terms of volume of work to be done / activities to be undertaken, or services to be provided. Planning is possible with activity based budgets as it allows agencies to look at the volume of activities that lay ahead and so plan in advance as far as the budget runs.

Budgeting approaches may display a number of forms ranging from line-item/extrapolative to program-performance-based, and to comprehensive planning-budgeting. Line-item budgets provide too much detail of items of expenditure and largely extrapolative in approach and so is best suited for stable situations; and for control over public funds and accountability to public authority. This traditional budgeting approach has some obvious setbacks. It has a short time span, usually one year; leads to shortsightedness as only next year’s expenditures are reviewed; to over spending because new disbursements in future are hidden; to conservatism as necessary changes cannot adequately respond to changing demands from the planning situation or to needs for reform; and to parochialism as programs tend to be considered in isolation to broader
issues and not as they fit into the overall goals of the organization.

A rather improved budgeting system is the program–based budget which relates funds allocation to activities and places emphasis on costs-objectives. Performance budgets on the other hand, also program-based, tend to emphasize costs-benefits. A performance budget will generally indicate standards for measuring performance and projected program impact. However, a serious setback of these approaches is that they lack in comprehensiveness.

The limitations associated with traditional budgeting and its latter improved forms in fact informed the development of modern day alternatives such as planning, programming and budgeting systems (PPBs) and Zero base budgeting (ZBB). Best suited for long range comprehensive planning and designed to assist in decision-making process, PPBs embody mechanisms for systematic gathering and analysis of information and presenting alternative choices for decision makers. It includes an integrated process of planning, budgeting and evaluation. Its major strength lies in its comprehensiveness as it enables planners to make forecasts of probable changes that may occur in the planning situation which can impact on articulated plan objectives. For instance, planners can develop projections about possible opportunities and threats to revenue levels. ZBB on the other hand involves choosing for every budget year alternative levels of expenditure from a zero base in respect of all agency activities and is characterized by vertical comprehensiveness. While PPBs studies and compares alternative programs, ZBB compares alternative levels of funding.

**PPBs as a Budgeting Type and Management Tool**

Program-based, comprehensive planning-budgeting option can be a powerful instrument in the hands of corporate managers to turn around their organizations. While in the private business it is possible to achieve competitive edge, increased market share and profitability among other long term goals, public planners can use integrated planning, programming and budgeting systems to optimize benefits for the population, increase agency performance, narrow public expectation gaps and, importantly, deal with economic and development challenges.

PPBs are characterized by comprehensiveness representing an attempt to ‘anticipate and respond to change through sophisticated analysis and evaluation’ and renders ‘extrapolated forecasts…less useful.’ (Richardson, 1992:56). Richardson(1992) defines the nature of planning environment in terms of number of factors which impact, or have potential to, impact on the enterprise including how dynamic and how unpredictable are changes taking place around the organization, linkages between the organization and its various stakeholders, how receptive inputs and outputs are, and how flexible is the domain of choice.

How does PPBs fit into management concept? The answer is that it does so because it attempts to address basic management questions such as what to do, how to do it, for whom as well as how well to do what is to be done. These questions involve a whole range of processes dealing with identification of purposes, considerations of alternative courses of action and selection of best decision option.

A major management challenge is to identify and choose among competing alternative
ways of achieving stated objectives. Planning, programming and budgeting systems offer added assistance to decision makers to arrive at best choices on resources allocation to alternative programs. Program study is thus justified if this best option must be selected. Such studies using methods rooted in economic rationality (operations research, systems, and cost-benefit analyses) help decision makers to find out best way of undertaking activities, choose among competing ends, and determine the probable consequences of various alternative programs, and to optimize programs. This comprehensive character which sets it apart from extrapolating allows for effective management of men, materials and money. The program analyst is able to establish a network of contacts, both within and outside the organization, to obtain important information about events within and outside the organization, such information about complex and uncertain events that affect the functioning of the organization and about its internal strengths and weaknesses. These external sources of contact can be useful for necessary support and co-operation of external stakeholders, for problem solving, making useful changes, arriving at compromise choice on basic values, and promoting organizational interests. For public agencies sources of support will include parliamentary committees, community leaders, and various interest groups and individuals who are beneficiaries of agency services. Agencies must necessarily compete for funds and other resources, for program growth, and support and influence within the administrative policy process. They must adequately respond to challenges from rival and overlapping interests, groups and organizations. If survival is a long term goal, they must develop appropriate strategies to achieve this.

Agency planners can utilize agency strengths, attempt to exploit opportunities arising from the environment and to minimize or even abrogate the effects of its weaknesses and threats from outside. Opportunities are likely to arise from various support elements both within and outside the agency. Agencies can often draw from its internal expertise and professionalism in relating with parliamentary committees while support for agency programs and program goals may also come from consultants. However, one single most important source of external support is special interest groups who may protect and promote agency interests as they also receive agency services. Political parties can also support or thwart agency interests, while citizen participation has remained a significant source of support for administrative agencies. Citizen participation means the involvement of the poor and other target groups in public programs. Citizen participation in fact adds to the special character of planning context in the public domain while attempts to build in support through it can be seen as illustrative of strategic thrust in public sector management. Policy makers and program officials count on the support of these participants for effective policy formulation and implementation. Participation includes being informed, giving information and advice, sharing in policy making, and exercising control. And the process is informed by the need to build public support for a program through co-operation and shaping program to meet community needs and priorities as articulated by results (Stenberg: 1977). Agency planners have often employed the use of public hearing and grievance handling techniques to deal with some of these social forces to achieve public support for success of their programs. These control mechanisms ensure that public reactions are received and used to correct program deviations, adopt new strategies, or even new programs, and ultimately, help in abating public dissatisfaction and so enables agencies to adequately respond to public expectations.
**Key Features of PPBs**

A planning, programming and budgeting system is generally characterized by the following common process patterns:

a) Identification of basic goals and objectives of government and directing as well as harmonizing all activities in all functional areas in line with these objectives.

b) Critical examination of the scenario and predicting of probable program outcome.

c) Costs study which includes a consideration of all types of costs-direct, indirect, capital and non-capital costs as well as support costs which would include employee bonus, fringe benefits and other monetary incentives.

d) Detailed and penetrating study of program alternatives which considers all plausible alternatives, strategies for achieving them, and the probable consequences of each alternative program in terms of costs-benefits ratio relative to identified objectives. Such a study will also generally indicate the basic assumptions and limitations surrounding each option.

To put the system in place a structure of programs must be developed involving grouping together all activities which contribute to the same or similar objectives. While this structure is able to facilitate control and co-ordination, it is inevitable that any subsequent shifts in program emphasis will call for adjustments in the structure.

Because PPBs is built around long range objectives, it involves multi-year program and financial planning. The comprehensive planning process is essentially vertical as it is developed from a given base year and so estimates of revenue and costs are to be based on the base year financial decisions already taken. It would mean that alternative expenditure packages for a program are to be considered based on previously decided financial options.

Moreover, while program study constitutes a major strength of PPBs as it increases effectiveness, program evaluation provides feedback information and ensures that the system responds adequately to changing needs. Evaluation requires close program monitoring and review which may warrant updating of recourse allocation decisions.

**Problems and Limitations of PPBs**

Though PPBs has considerable potential for increasing problem-solving capacity of the civil bureaucracy and able to produce a more realistic, integrated, comprehensive and effective national plan, it nevertheless has several technical and non-technical problems. Like all budgetary types it is essentially a political document and so seeks to answer basic question of who gets what, how and when. (Widavsky: 1958). It follows that the budget and budgetary decisions have to contend with political and legislative constraints that are relevant and inevitable, and thus has to optimize resource allocations bearing these constraints.

Another problem may often arise from too much emphasis on rationality. It is possible that while the political decision makers may be more concerned with distributional effects of program options, program officials out of sheer power of their expertise and
technical knowledge of policy issues may be able to draw the former away from their preferred programs. Moreover it has been shown that PPBs policy rationality is countered by its organizational irrationality, a concept which describes the highly differentiated but linked systems in PPBs-money, men and materials. Because like programs are grouped together, it has meant that change in one program element can trigger off a chain of changes in all like programs. It has also meant that cost of effecting changes or correcting errors for that matter would rather increase than decrease, and so PPBs is caught in the dilemma of ‘change in every thing or change in nothing’ (Vocino et al: 1980:272).

PPBs’ bias for rationality and efficiency may often result in technical problems of calculating cost and benefit implications of program alternatives. Costs and benefits may be determined arbitrarily without regard to possible externalities. For instance, the cost of a major road construction project may include not only details of direct costs but also costs or adverse effects on village dwellers that may either be displaced or lose their farmlands. Besides, costs and benefits may be perceived differently by different people. While a project may be beneficiary to some people, it may at the same time possibly have adverse effect on others.

Finally, there is the inherent limitation in quantifying or assigning monetary values to some benefits and costs particularly in respect of some social programs. How far for instance can we determine the precise value of lives favorably affected by social programs designed to enhance quality of peoples’ lives such as poverty alleviation programs of government. It would appear invalid and misleading to use incomes of potential beneficiaries as a measure because low income earners and unemployed will be given inadequate consideration.

However, in spite of these setbacks PPBs has continued to remain relevant and indeed appear to be the best available planning-budgeting option for developing countries even though it may be necessary to adapt the system to suit their peculiar circumstances. The problem is not with the system or technique and its setbacks, but with failure to recognize these setbacks and use the system appropriately. Nevertheless, this view will be followed up in a later section in our discussion.

Strategic/Corporate Planning for National Economic Growth and Development

The budget as a planning framework has traditionally been used to show –case fiscal policy and has remained a useful mechanism for management of national economy and implementation of development plan. It represents unambiguous expression of government fiscal policy and authoritatively allocates resources to economic and development goals of the state.

Fiscal measures embodied in the budget enable government by means of its aggregate expenditures and taxation to influence and shape incomes, production and employment in desired directions. The financial plan can in deed have far reaching economic and development implications and so has come to be used as a tool for economic planning, regulating aggregate expenditure and taxation levels, volume of production, income levels, and consequently savings and investment levels and employment.

Governments can, and often do use a well coordinated revenue, expenditure and debt programs to influence not only the national economy but also to stimulate development.
For instance, budgetary fiscal measures can be employed to cushion the effects of inflation and perhaps reverse unemployment trends. Inflationary conditions may set in when total demands exceed total supply of goods and services and so government taxation and expenditure can be used to curb demand, stabilize prices and rationalize employment. On the other hand, fiscal measures can possibly stimulate demand in situations when total demand is low, unemployment high, and when prices are generally falling. Moreover, it is obvious that taxes affect the level of personal income, distribution of private income, and level of consumption or private expenditure. However, taxation may have extreme economic consequences as it may stifle incentive to work, drastically reduce the level of private incomes, savings and investment propensity thereby creating obstacles in the way of business expansion or perhaps result in divestiture, sell-outs, mergers, or even liquidation. Ultimately though, taxation has the inevitable effect of influencing prices and various aspects of economic activities.

Another way budgetary measures can be used to manipulate the economy is that it often becomes a means to buffer the inflationary effects of heavy government spending on capital projects. For instance the government can, by means of public borrowing, reduce expendable income and so reduce private expenditure, though however, public borrowing may not be appropriate in situations of economic boom when employment and production levels are high.

If the budget, annual budget for that matter, must serve as a useful tool for planning, it must necessarily be integrated with the long term goals of development. There is every reason to relate recurrent expenditure with capital budget and program objectives. In other words, all expenditures, be it operating or capital, must be relevant to program objectives which are structured into the overall long term development goals.

A number of methods have been suggested for harmonizing annual budgets with development plan, a process which is tantamount to integrating operating expenditures with capital projects. One such approach is the adoption of budgeting type based on classification system which combines features of program format and commodity format/item of expenditure formation. Another is a financing method for capital and recurrent expenditures which integrates different accounts for both and so reflects recurrent expenditure as part of supporting or operating costs to capital projects. Yet another is to achieve harmonization between the objectives of annual budgets and the goals of development plan. The extent to which objectives expressed in annual budget approximates those long term goals of development plan, to that extent remains a harmonization between annual budget and development plan. For instance, if the key objective of development plan is poverty reduction and the fiscal measures outlined in the annual budget takes a greater part of income of the poor and so means less in payment of wages and salaries of low income public sector workers, then such a recurrent budget is inconsistent with the development objectives.

However, planning, programming and budgeting systems are able to overcome the shortcomings of annual budgets prepared in isolation without reference to long term objectives of development plan. Since annual budgets have short term focus they cannot meet the requirements for long term planning. While some jurisdictions have used biennial budgeting systems, others have developed more comprehensive planning-budgeting approaches. What then has been the planning practice in developing countries? Here we
describe, locate and evaluate planning practices in Nigeria, The Gambia and India including attempts of public planners to harmonize annual plans with long term development objectives.

Budgeting practices in developing counties:

The budget has remained an invaluable instrument for planning in developing countries, and early experience in these countries show a preference for budgeting based on classification by object of expenditure or by organizational units resulting in great details of expenditure. This budgeting practice emphasized recurrent expenditures than capital projects, and so recurrent expenditures tended to be treated in isolation to capital expenditures as discrete entities, though this is understandable as their colonial budgeting experience were addressed to systems maintenance and law enforcement rather than development goals. Over the years however, since independence, significant changes have taken place in planning character and approach in these countries in response to growing complexity of society and increased social responsibilities placed on government. In recent years these countries are increasingly confronted with serious economic and development issues and challenges. For instance, the magnitude and sophistication of bureaucratic corruption, rising inflation, very low per capita income, dwindling domestic savings and level of investments, difficulties in obtaining external funds, and rising public expectations all present government and public managers with serious challenges. Public planning in these counties therefore inevitably appears to be changing in approach in response to these social forces and economic imperatives. In the three countries selected for our examination: Nigeria, The Gambia and India, planning practices generally tend to indicate a preference for program-based, rational comprehensive planning, though however there appear to be some variations in the degree of comprehensiveness, program articulation and commitment of program officials.

Planning Experience in The Gambia

My study of budgeting plans for 2005/06 and 2006/07 budget years in respect of the University of The Gambia suggests that management and financial plans tend to exhibit some features of both traditional program based budgeting approach. For instance, as Table 1 below shows, while much emphasis appears to be placed on details of items of expenses, departmental activities, though included in the budget document, do not clearly indicate program objectives. Besides, programs have limited life-span of one year and essentially recurrent in nature. Consequently, planning retains some dominant features of line-item incrementalism.

(Insert Table 1 here)

However, planning picture at the national level appears brighter. The Central Bank of The Gambia budget for 2006 as shown in Table 2 below is apparently program based and generally indicates program objectives and quantitative targets (or standards for measuring performance).

Annual financial plans tend to be integrated with national economic objectives and development goals. For instance, the economic and financial programs of the government for 2006 were designed to “forester conditions for sustainable economic growth and poverty reduction, and move the country toward achieving the millennium development
goals. Measures outlined in the budget included provisions for expansion of tourism sector, technical cooperation and contractual agreements with foreign operators to bolster power generation and distribution as well as poverty reducing spending for which the Strategy for Poverty Alleviation Office was expected to ensure that composition of government spending was in line with priorities established in the poverty reduction and social program.

Monetary policy superintended by the CBG was intended to combat inflationary trends. While large fiscal deficits and loose monetary policy in the early 2005 led spiraling inflation and sharp depreciation in the exchange rate of the dalasi, the situation was reversed in 2003 when for the first time monetary policy was tightened as fiscal restraints followed in the later year. These measures led to significant increase in GDP from a drought induced decline in 2002 to growth rates of 7 percent and 3 percent respectively in 2003 and 2004. By stabilizing the external value of the dalasi and adopting monetary and fiscal measures to decline trends in the growth of money supply and level of spendable private income, it was possible to bring about a deceleration in inflation. The exchange rate of the dalasi to US$ had stabilized since early 2004 oscillating between D28 and D30 per US$ after failing in value from about D23/US$ at the end of 2002 to D33/US$ in September, 2003.

On the whole, it was obvious that much of the fiscal measures of government in the period 2003-2005 were more or less designed to improve fiscal position as measured by basic balance (revenue vs. expenditure) with very limited attempt to actually use these as instrument for shaping the economy. For instance in July, 2005 the government increased pump prices of gasoline and diesel for purposes of shoring up revenues and ensuring that the budget was channeled towards subsidizing costs of imported petroleum products. Nevertheless, in the spirit of its poverty reduction program the price of kerosene was kept unchanged at D9 per liter in order to provide some protection to the poor, while gasoline prices were raised from D22 to D27 per liter and diesel from D21 to D25 per liter.

Planning Practice in Nigeria

In the years before 1940 national planning was characterized by traditional budgeting as budget emphasis was on costs; to achieve control over costs and control over legality of expenditures. However, in the 1940s public budgets became program- based with emphasis on costs-objectives, and in the 1950s performance-based budgets became fashionable as budget emphasis shifted to costs-benefits. Beginning from the 1960s, however, more comprehensive planning approach characterized the budgets of Federal and regional governments of Nigeria (Akinyele: 1983:332). At this point the budget began to be used as an instrument to stimulate, manipulate and control state economy as well as to achieve development goals of the state. The 1966-70 civil war budgets were employed to manage Nigerian economy of the time. Fiscal measures consisting in taxes on personal and corporate incomes as well as tariffs on imports and exports were considerably raised while public expenditures were rationalized to restrict expenditures on non-military demands and to withhold financial assistance in the form of subsidies, subventions and grants to non-profit ventures. Savings were thus standardized and costs of administration reduced mainly to assist in war efforts. Floating liquid assets were also
mopped up as voluntary and compulsory savings were sometimes introduced. Consequently, the economic and war objectives of the time were considerably achieved.5

In more recent years public planning in Nigeria has tended, more or less, to follow rational comprehensive planning model. Fiscal and monetary measures are used to achieve economic and social objectives of government while annual budgets are integrated into the mainstream development objectives. The policy objective of economic reform program outlined in the 2005 budget, which precisely is macro-economic stability and fiscal balance, was achieved principally through government monetary measures of effective liquidity management.

Similarly, the policy thrust of tax reform measures outlined in the 2006 Federal budget was to simplify the tax system, reduce multiplicity of levies and get better compliance and hence raise government revenue ceiling. The tax reform measures consisted in reversing the existing Personal Income Tax, Value Added Tax, and Company Incomes Tax laws and other taxes and levies.

Another budgetary measure was the diversification policy as a strategy to achieve GDP growth in non-oil sector such as agriculture. The diversification program outlined in 2006 Federal budget provided for 48% of its spending and 57% of capital budget on the infrastructural sector- roads, water, power, security, education and health.6 These budgetary provisions provided the building block for diversification and for stimulating the economy in such areas as agriculture, construction, manufacturing, oil and gas, and services.

National planning in Nigeria appears to have achieved, theoretically, acceptable level of systematization and comprehensiveness. Further evaluation of 2006 Federal budget may be illustrative. Key assumptions and targets of this budget include inter-alai:

a prudent oil price of $33 per barrel

1 crude oil production of 2.5 million barrels per day (including condensate)
2 NGL, Upstream gas revenue and signature bonuses of N336 billion
3 Joint venture cash calls of $42 billion, that is, N542 billion
4 GDP growth rate of 7%, inflation rate 9%
5 Exchange rate N129 to $1

In setting these targets, the political decision makers had to shift from target levels of the preceding year, 2005 which were determined by rather ‘too optimistic assumptions.’7 Evidently, the planners recognized the need to properly audit their decision environment and consider alternative decision options and their probable consequences before arriving at ‘prices that can assure long-term sustainability in the implementation of the budget.’8 Besides, revenue and expenditure projections were certainly not extrapolative. For instance, oil production level of 2.5 million barrels per day projected for 2006 was actually lower than 2.71 million barrels per day assumed in 2005. And GDP growth projection of 7% was based on the expected gains from investments in infrastructure and macro-economic stability as the major focus of the budget was the provision of basic physical and human infrastructure, particularly power, roads, security, etc.

Public Planning Practice in India
Public planning in India is, in this paper, examined in some detail in the context of 2005/06 and 2006/07 budgets of the Union Government. An attempt is made here to examine the theoretical and empirical effects of annual budgets on the economy and development efforts.

The long-term goal of the outcome budget, 2006/07 is economic development. While the budget envisions use of fiscal and monetary measures, it provides for co-ordination of all policies and programs and their impact on the economy so as to achieve overall objectives of the union government ‘which encompasses widely spread economic growth while maintaining macro-economic stability and equity.’ It further provides for methods of measuring development outcomes of all major programs. While the 2005/06 budget was designed to pursue development goals of state, 2006/07 outcome budget represents a further refinement bringing some items of expenditure into focus where certain alternative outcomes are envisaged. Annual budgets are thus clearly seen and treated as important parts of the long term development plan of government.

Budget Structure

The Union 2006/07 budget, captioned outcome budget, is essentially a program-based, performance budget which outlines activities, objectives, standards for measuring performance (quantifiable deliverables or physical outputs), and projected program impact. For instance, statement of outlays and outcomes in respect of Demand/Provision No.31 of the Department of Economic Affairs as shown in Table 3 below indicates that program objective of Major Head 2075 (umbrella support project for country co-operation framework) is to establish a fast track mechanism to achieve formulation of high quality development programs for organizing cross cutting thematic support, advisory services, capacity building initiatives, and disseminating best practices to bring out optimum value from program activities. The performance indicators as shown in column 5 consists of three envisaged projects namely, co-ordination and decision support system on external assistance (CDSS), establishment of capacity development mechanism (CDM) and capturing and disseminating lessons (CDL) from program activities. Column 6 indicates projected program effects. For instance, while the project for CDSS is expected to result in establishment of a comprehensive web-based co-ordination and decision support system on external assistance, the CDM project would expectedly produce increased involvement of local stakeholders in small scale CDM project development activities by means of enhanced capacity. The CDL project is envisaged to bring out breakthroughs and barriers on road to deepening the impact of sustainable livelihood approaches so as to touch the lives of the most marginalized on a long-term basis as well as scaling up responses. As indicated in column 7, objectives have relatively short time frame averaging less than one year of the expected time of completion.

(Insert Table 3 here)

Nature of planning approach

Moreover, there appears to be conscious efforts by the planners to integrate recurrent expenditures with capital outlays as there is substantive evidence to harmonize annual budgets with development plan of the Union government. Traditionally, development plans are structured along programs while programs are classified along functional areas.
instead of organizational units. And because the union annual budgets are also classified along functions, it is a lot easier to achieve harmonization of aggregates of annual and national economic parameters such as levels of incomes, savings, and investments. Besides, consistent with integration efforts is the attempt to harmonize annual budget objectives with long term development goals of the Plan. Policy guidelines espoused in the 2006/07 union budget indicate that Ministries/Departments were advised to initiate actions to an evaluation done in respect of all their plan schemes and programs so that no scheme is carried forward to the next budget without proper evaluation, to ascertain their continued relevance and utility to development plan.10

There are ample indications in the budget approach to suggest precise program structuring and centralized control and coordination of implementation and evaluation process. For instance, development and economic assistance scheme of government envisages not only a number of components like preparation of regional and country strategy, mobilization of credit through ExIm bank and other commercial banks, technical assistance and assistance in special thrust areas, but also establishment of inter-ministerial coordination mechanisms. In addition, Department of Expenditure and the Planning Commission are mandated to take initiatives for preparing and implementing Outcome budget by means of outlining and standardizing the structure and modalities for the exercise.11

There are also evident indications of rational planning. Column 8, Table 4 below, for instance, describes risk factors which are projections of trends in the planning environment. Implementation of VAT (Major Head 2052) depends on forecasts of future trends such as states’ preparedness to undertake computerization and use of IT and Decision Support Systems (DSS) put in place. While it is evident that the planers show concern for identification and use of options able to maximize objectives, it is equally evident that they recognize the significance of development and utilization of appropriate IT and information systems to sharpen strategic planning process.

The Union budget envisaged computerization of major departments of state and agencies such as CBEC, Central Bank of Direct Tax, and Department of Revenue. The computerization efforts in the department of Revenue consists in e-delivery of tax-payer services, development of a single national data-base/center, all India virtual private network, on-line tax accounting system and annual information returns. Already operational is the scheme for filling of annual information returns of high value financial transactions by centre place financial activities such as credit card companies, banks, Registrar of immovable properties, mutual funds, etc12

(Insert Table 4 here)

Moreover the computerization efforts of the Union government in the area of assessment of Central Excise and Customs duties date back to 1992 and 1995. A system for Excise Monitoring Data Processing systems were set becoming operational at local levels while Gateway project has since been implemented connecting about 35 sites. Meanwhile a filling system of customs document through the Gateway is already achieved. Importantly, the intended benefits of these facilities to the department include easier assessment and collection of duties based on cost effectiveness.

The Union budget appears to be structured along similar objectives and so ease of
evaluation and coordination. For instance, as per program Head 2416 (Grants-in-aid: harvesting schemes SC/ST farmers), MH 2885 (Small Industries Development Bank of India: National Equity Fund), MH 2235 (Subsidy to public sector general insurance scheme), and MH 2416 (Grant-in-aid: Revitalization of cooperative credit structure shown in Table 5 below.

(Insert Table 5 Demand/ Provision No 33)

However, there appears to be related objectives running through these programs which sums up to extending credit lines particularly to the rural poor and promotion of self-help groups.

By comparing outlays with physical outputs/projected outcomes the budget appears to relate costs to benefits or project impact, project performance /effectiveness and so the emphasis has remained cost-benefit effectiveness.

It would appear that PPBS is introduced though at an advanced stage in India. Given the technical and human resource requirements of this planning-budgeting system, it remains questionable whether India and the developing countries can in fact maximize the gains of PPBS. This is because the approach requires specialized knowledge particularly use of inter-disciplinary knowledge in economics, physical sciences (that is quantitative and systems analyses), behavioral sciences, operational research, simulations and IT systems,, sociology as well as public administration and management and so there is the important need to have adequately trained staff, improve existing information technology and relate the approach to the stage of development of national economy. It is evident that IT is a basic technical requirement for effective development of PPBS as the gains and relevance of application of appropriate information systems becomes immeasurable in relation to developing countries. The traditional public administration in these countries based on labor intensive information handling has in fact become obsolete and incapable of coping with complex and often changing and unpredictable problems and demands of society. Evidently, computer based management techniques have greater promise for improved bureaucratic performance. Modern IT provides a way out for handling of massive information, information storage and retrieval and quick feedback to maximize decision-making. The application of electronic data processing (EDP) systems in public sector organizations, and in particular, use of management information systems (MIS), and decision support systems (DSS) hold greater potential for improving program analysis, providing more precise, relevant and timely information on costs and benefits significant to basic public objectives. These information systems have the added merit in application to the planning system, not only in terms of shorter time(which in any case may be a decisive factor for administrative action), but in addition, provides operating and strategic/senior public managers ready access to relevant management information.

Most developing countries are becoming acutely aware of the immense gains of IT and information systems application for providing management services, improving capabilities and serving as vital management tools. However, while IT may hold potential benefits for developing countries, evidence from our studies tend to suggest that some of these countries are still noticeably lacking in specialized IT knowledge and skills. It does means that caution need to be exercised in the choice and stage at which PPBS approach is introduced in order to relate this to the current level of development of national
resource base and economy. For instance, with a few exceptions such as India, computer literacy level is considerably low even among top public officials, and there has been the tendency in some countries to introduce IT equipments more than the development of man in the system. Consequently, this has often resulted to what may be described as capability imbalance in a number of developing countries. This imbalance appears to be even more real in India in spite of its considerable achievement in IT revolution. Describing the situation in India, Anandakrishnan (2000) observes: “you cannot have a high tech facility and have 50,000 people within a few kilometers who do not have access to computers”, and for him, “availability of computers in every village did not mean accessibility, while accessibility does not mean assimilation and unless there is ‘localization of content’ this technology could not be used by 97% of the population”\(^\text{14}\). Figures released by IT industry in India indicate that hardware and equipment import is expected to grow at the rate of 57%. Though much has been achieved in the software sector, the greatest boost has been provided by the private sector.\(^\text{15}\) Nevertheless, it appears that, in a number of developing countries, many more private and public sector managers are beginning to insist that IT knowledge and computer literacy become a sine qua norm for recruitment of middle and senior managers.

**Conclusion**

From the foregoing discussions we may reasonably conclude that public sector planning in India generally tends to be comprehensive and systematized displaying many of the key features of planning-budgeting systems. The Union budget is described as program/performance based and so its most recent budget is aptly captioned ‘Outcome budget, 2006/07’ as it outlines performance indicators as well as projected program outcomes. Other attributes of the budget include mechanisms for program evaluation in terms of program monitoring and review to warrant necessary adjustments in plan; deliberate and systematic attempts to integrate annual budgets with long-term development goals while annual objectives maintained regular consistency with development goals of the state. Moreover, while every aspect of the Union budget appears to be the outcome of meticulous program study, great attention seem to be given to cost details and cost implications because costs tend to be carefully related to program objectives and performance. The program structure allows for more centralized control and co-ordination of implementation and evaluation efforts while considerable attention is given to development and utilization of IT knowledge and information systems to achieve program objectives and improve performance.

Moreover, we examined public planning practice in Nigeria and The Gambia and noted that in Nigeria public planning evolved from extrapolative planning in the 1940s to performance planning-budgeting in the 1950s, and since 1960 public planning is increasingly marked by progressive levels of sophistication, systematization and comprehensiveness.

The Gambia presents a picture of rather rudimentary planning approach dominated by extrapolative practices. With a few exceptions as in fiscal and monetary policies, planning generally appear to lack in program analysis and so projections of program outcomes are neither indicated nor alluded to, though quantitative targets may sometimes be shown. Detailed estimates of revenue and expenditures are made based on current figures and facts (on the assumption that the situation remained essentially the same for
the budget year). There appear also to be a missing emphasis on IT knowledge and information systems application. Consequently, public planning methods in the Gambia tend to be inadequate for dealing with challenges of development.

However, as in Nigeria, India and elsewhere in developing countries, the budget has often been used in the Gambia to attempt to influence national economy and to direct development efforts. The Gambia government fiscal and monetary policies were often designed to foster conditions for sustainable economic growth and poverty reduction, though the outcome of these measures had meant improvements in fiscal position than stimulation of the national economy. Nevertheless, attempts in these countries to direct national economy and development process by budgetary means vary in approach from one country to another and were able to achieve varying degrees of success. While some of the policy statements embodied in some of these budgets sometimes do represent mere window dressing and propaganda value, others appear to be carefully structured and precisely articulated planning-financial documents that seem to work and to demonstrate commitment of public planners to comprehensiveness.

The question has often been asked whether or not developing countries can in fact benefit from the gains of comprehensive planning which PPBs offers. A number of obstacles, though surmountable, may possibly impede successful strategic management of public interests in developing countries. While some of these constraints are located within the public agency itself- its internal structures and functioning, training and orientation of public officials, others are found outside in its relationships with various stakeholder groups as well as the political and economic structures of society, and the imperatives of global realities of our time all of which define and shape public sector decision-making, implementation process and the potential to achieve public goals. Public planners therefore must necessarily be able to identify and cope with these situational planning constraints, two of which are here discussed in some details.

a). Budget literacy and Access to information.

Government business in developing countries as in elsewhere tends to be shrouded in secrecy as it attempts to insulate itself from public gaze. In developing countries, with a few exceptions if any, the public appears to receive only but such information as are edited by public officials or in the form of discrete releases and official briefings often of propaganda value. On the contrary, access to budget information and ability to understand such information is capable of promoting public involvement and scrutiny of budget process.

The political class in Africa by their actions and public utterances appear yet to fully come to terms with the true meaning and demands of democracy, and most importantly, the virtue of civil society participation in policy process. The situation is even worsened by largely uneducated and, even among the educated, uncritical public to make meaningful contributions to the budget process. However, as indicated by increasing share of the education sector in public budgetary allocations in Africa, many more people now beginning to benefit, not only from formal education opportunities, but also from literacy and civic education programs of government. But then education is not enough. Africa must rise from its complacency and develop the culture of interest in public affairs and be able to participate in public decision-making in any meaningful way. Public
access to government policy initiatives, priorities and implementation can promote popular participation.

Public planners therefore necessarily need to look out for and respond to forces from the popular sector if social rationality in public planning process must be achieved. While the aim of rational public planning may be economic prosperity, elimination or reduction of poverty, provision of public goods, good health and security and, in a nutshell, provision of general happiness, to exclude the public in this process becomes not only a misnomer but in total contradiction with requirements of long-term comprehensive planning which calls for active participation, co-operation and support of all stakeholders and clientele groups in society. In a democratic society, a theoretical and empirical, if not political, question has often remained: who determines, or takes part in determining, what constitutes general interests? The public will probably remain indispensable in such a matter.

Public access to information on public policy issues recommends itself for effective national comprehensive planning because it guarantees both government accountability and civil society participation in budget process enabling planners to use feedback arising from internal and external sources to bring about necessary adjustments in plan and, through public criticisms or external performance evaluation, to remain focused.¹⁶

b). Foreign Aid

Major implementational issues, which public planners in developing countries must be able to handle, may often arise from projections of funds from external sources and the need to align loan conditionalities with mainstream development objectives.

Multilateral aid to developing countries is usually accompanied by rules that further obstruct achievement of development goals. Though impeccably offered with all the good logic of the moment, the result has almost always remained failures of public plans. The Nigerian experience demonstrates the impact which this kind of trend could have on national economy of a developing country. In his examination of the impact of structural adjustment program introduced by Babangida’s administration on the cocoa economy of southwest Nigeria in 1986, Walker (2000:1) insists that the program resulted in a price war that lead to ‘monumental increases in price of cocoa.’¹⁷ Significant outcomes of structural adjustment program included the heightened inflationary situation that was created -very high prices of farm implements and costs of labor, stifling of industrial production, and illegal counter-productive economic activities.

The bid for IMF loan in fact began with Alhaji Shehu Shagari’s government (1979-83) in face of the growing crisis in the Nigerian economy, a crisis precipitated in large part by contradictions in the economic policies of the federal government in the immediate post colonial period. Colman and Okorie (1999: 341-55) noted that while the major thrust of government’s economic policy in the period 1979-83 was pursuit of objectives of mixed economy, that policy rather showed lopsided emphasis on import substitution intended to diversify Nigerian economy and facilitate transfer of technology. While import substitution had meant promoting internal production projects which would substitute imported goods, financing sources for these projects were to come from agriculture, a sector which was not modernized and developed to meet these new challenges.
Olukoshi (1993:2-5) had shown that the oil boom of the 1970s and early 1980 had only but disguised the rather fragile Nigeria economy which retained many of the inherited features of the colonial economy. The proceeds from oil allowed the country to pursue its import substitution efforts which at the end were flawed because very few, if any, supporting internal links were put in place (such as making use of local raw material) and importantly, the import substitution failed to generate any significant multiplier effect on the economy. A greater part of foreign reserves was spent on spare parts to maintain import substitution industries.

The global economic recession of the mid-1990s brought a new twist to the economy. This had necessitated fiscal tightening embodied in Shagari’s Economic Stabilization Program of 1982, a program designed to limit import licenses, raise duties, and generally reduce public expenditure. The austerity measures included fuel price hikes, though it proved ineffective because crude oil prices fell drastically by 45% from the 1980 prices. Fadahunsi (199:36) maintains that fiscal indiscipline and mismanagement that characterized Shagari’s government in fact worsened Nigeria’s economic situation. However, when his government demanded for IMF loan of about 1.9 and 2.4 billion naira, the following conditionalities were place on the loan:

- drastic reduction in government spending
- privatization pf public sector establishments
- liberalization of trade, through a relaxation of tariffs, and
- removal of subsidies and government control of imports.

Shagari’s government could not however enter into any formal arrangement with IMF before it was ousted in a military coup in December, 1983. And though the Buhari-Idiagbo government that followed continued with austerity measures of its predecessors, the global decline in crude oil prices almost rubbished all its spirited efforts to revamp the economy through fiscal discipline and cut down in government spending.

The next regime of Ibrahim Badamosi Babanginda sought to address the declining economy by imposing yet another round of restructuring and so in October, 1985, the government declared a 15-month period of National Economic Emergency. At this time IMF and other international financial institutions made it clear that Nigeria must have to implement certain conditionalities under the framework of structural adjustment to be able to benefit from their loans (Ihonvbere, 1994).

The IBB government threw open the issue of IMF loan ($2.5 billion) and structural adjustment for public debate, and after about one year of public discourse on the issue it became clear that public opinion was against structural adjustment program. It was feared that liberalization would undermine domestic industries as they may be unable to compete with foreign firms. Another fear was that IMF loan could be mismanaged while others opposed devaluation of the naira by an external financial agency. Nevertheless, the government accepted the demands of IMF and in August, 1986 inaugurated its structural adjustment program which incorporated a two-tiered foreign exchange system. The government ended up not taking the IMF loan though, it agreed to a new loan and debt rescheduling with the World Bank and London and Paris club (Olukoshi, 1993).

Bach(1997) concludes that the conventional implementation of structural adjustment
programs based on a strictly national basis may encourage neighboring countries to adopt policies that aid and abate development of trans state trade flows, variously described as ‘informal, parallel, or black-market trade or smuggling’. He uses the term trans state regionalism to refer to forces which threaten capacity of states to control informal trade and financial networks whose dynamism attenuates some of the shortcomings of official circuits, but does so at the cost of undermining the regulatory capacity of the state. These trans-state activities remain largely unofficial, and its implication is that it results in wealth accumulation that lead to their discrimination on one side of a national boundary; in which case, while one side of the border may benefit from this ‘illegal’ trade, the other side may suffer harm from such a trade. Opportunities that generate these patterns of trade arise from disparities in fiscal, monetary and customs regimes of Border States.

Bach (1997) further argues that the increasing recourse of African countries to structural adjustment programs and the relative erosion of tariff and monetary disparities produced a new phase in the development of trans state trade since the mid-1980s. While these programs, informed by conditionalities of international financial institutions, have the effect of limiting cross border opportunities, the trans state networks seek new sources of rent in the global economy, to profit from intra-African frontier disparities through criminal activities in particular. Linking with organized crime in Europe, Asia, Latin America, and North Africa, these networks have become increasingly involved in drug trade, arms trafficking, the more traditional smuggling of gold, diamonds and ivory. The implication of these trends for Africa is that the continent is becoming a key reign for trans-shipment of money, if you like, money laundering operations.

However, Club du Sahel (19994) has shown that macro-economic measures introduced in Babangida’s administration structural adjustment program had the effect of limiting trans state trade opportunities as the naira was devalued, as Nigeria embarked on selective liberalization of external trade and consequent collapse of domestic demand for articles of trans state trade, Nigeria experienced limited relief as these reforms, opened up opportunities for export( and re-exports) and so abated its foreign exchange crisis.

Another associated issue is the corruption that often surrounds the use of aid funds. Corrupt bureaucratic practices tend to result in diversion of funds, inflation of contract sums, mismanagement or misappropriations, procurement of substandard equipments, etc. As shown in a previous work by the writer, this corruption is essentially systemic and tends to produce adverse socio-economic costs to development efforts. Soreide (2002) concludes that agency corruption tend to produce counter-productive consequences for developing countries but proffers administrative solutions. However, his solutions and similar ones offered by international financial institutions appear to fall short of addressing the real issues involved, if not sounding more like imperialist scheming intellectualism intended to propagate vested interests of international finance.

Nevertheless, search for realistic and perhaps practical solutions to agency corruption, issues of strengthening national procurement systems reforms, and structural reforms of administrative systems must necessarily contend with the complex and turbulent socio-political forces which sometimes constrain and present real planning challenges.

In concluding this paper, it appears relevant at this point to state that national planners in developing countries must be able to transform public agencies to veritable instruments for development. They must be able to develop strategies and workable comprehensive
national plans capable of delivering their development dreams. However, many of the contemporary rational planning models applied in the public sector appear to focus on efficiency objectives and suffer from two lingering limitations: (1) failure to consider equity or distribution of income and (2) the empirical limitation of calculating costs and benefits. This has meant that achieving its intended roles in the public domain may require the use of several models as well as new types of optimization formulations and modified algorithms and computer codes. Optimization models are important because they help to generate planning alternatives and to facilitate comparison among them. And so in the public sector it may be desirable to use several different models in order to aid planning process. Because public sector planning is more of an art, there is evident need to develop appropriate management/planning skills and expertise if public agency effectiveness must be achieved. One major way out may be to professionalize the civil service.

Other complimentary measures which can enhance agency administrative and managerial capabilities will include introducing mentoring and role modeling schemes which over time enable experienced core of management staff to provide and sharpen the needed training and work orientation of subordinates; to build and sustain appropriate organization culture consistent with development objectives of state; break the boogey of agency corruption and post-colonial psycho-mentality which leaves public officials with perception of public wealth and resources as targets of loot. Europe came to Africa looting her treasures and instituted public bureaucracies designed primarily for transfer of their loot to the metropolis and so created administrative structures ill-equipped to foster development of human and technical capabilities relevant to development in a post-independence Africa. The African colonial civil servant had looked at his job as government work, ‘their work, not our work’ and this mentality continued well after independence and is still persisting today. It has to be broken to achieve a change of attitude and a realization that loot of government property tantamount to loot of common wealth and, as it were, personal wealth and wellbeing. Nevertheless, for anyone familiar with the African terrain, this task appears in deed to be herculean and can be thoroughly addressed by show of political will and commitment on the part of the political class.

Notes and References

2. On process view of strategy formulation, see Constantinos C. Markides,
3. These policy objectives are outlined in the Central Bank of Gambia Letter to IMF captioned The Gambia: Staff Monitored Program: Letter of Intent, Memorandum of Economic and Financial Policies, and Technical Memorandum of Understanding, December 20, 2005

4. Ibid. See attachment 1 of the same document. GNP per capita income in 2002 was 231 dalasi rising to 290 dalasi in 2005 while GDP was 0.35 billion dollars in 2002, GNP in 2005 was 0.44 billion dollars, and currency exchange rate in September 2004 was 1 Euro= 36 Dalasi- see Gambia-Economy


6. See the 2006 Federal Budget Speech by President Obasanjo (Nigeria) at the Joint session of the National Assembly, Abuja, Nigeria, Tuesday, December, 2005 available at [www.nigeria.gov.ng](http://www.nigeria.gov.ng)

7. See Appropriation Act, 2006 available at [www.nigeria.gov.ng](http://www.nigeria.gov.ng)

8. The policy guidelines indicated in Appropriation Act, 2006 clearly underscores the need to avoid measures capable of overheating the economy and so warrants careful program study.

9. On coordination, see Reform Measures and Policy Objectives, India Union Budget, 2006/07

10. Ibid., para.3.4, p.60

11. See Reform Measures and Policy Objectives, India Union Budget, 2006/07, chapt.111, Para. 1.1, p.57 and para.3.2, p.60.

12. Ibid. chapt.111, Para.4.8 (a), p.65; Para. 4.8 (b.vi), p.67

13. Ibid., chapt.2.3, p.58


15. Ibid.


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5. Evnett, S. J., 2003. ‘Is there a case for new multilateral rules on transparency in government procurement?: The Road to Cancun and Beyond, World Trade Institute, Bern


14. Soreide, T., 2002. Corruption in Public Procurement, Causes, consequences, and cures, Chr. Michelson Institute, Bergen


