

**Public finance, social welfare and industrial development paradigms in Nigeria****Linus Odumogban Inyang<sup>1</sup>, Patrick Owan Bisong<sup>2</sup>**<sup>1</sup>Department of Sociology University of Calabar, Calabar. Nigeria, Linusinyang@gmail.Com.<sup>2</sup>Department of Sociology University of Calabar, Calabar. Nigeria, owaness@gmail.com**Abstract**

Nigeria is richly endowed country with formidable natural, psychical and human resources. Joining the league of newly minted states in 1960, Nigeria offered the continent and blacks everywhere a future that was promissory, resplendent and anchored on a vision of rapid development. with annual budget of #9.12 trillion in 2018, #8.92 trillion in 2019 and #10.33trillion for the year 2020. The oil price has been oscillating from \$61 to \$66 in recent times, it is expected that Nigeria should have out grown its present description of a developing economy. Successive administration has come with promises of improving the standard of living of its residents during electioneering campaigns. The military are not left out in the governance of the country, yet lack of adequate electricity supply, poor roads network, lack of infrastructure (Health facilities) and absent of social amenities like affordable water have bedevil the country. The agricultural development plans are only hard on radio, without any practical improvement, this explain the high level of hunger in the land, the same reason for the rising and unending insurgency. The questions is, what is happening to the public revenue, how are the issues of social welfare handled, and what is the space of industrialization in Nigeria, this paper attempt to x-ray this paradigms, with the view of availing more literature on the indices of public finance, social welfare and industrial development in Nigeria

**Key word;** Revenue, Well-being, Industrialization, Function, Development**Introduction**

The relationship between public finance, social welfare and industrial development paradigms in Nigeria can be properly understood from the point of the beneficiaries, which is the public, to do so will require a foundational built of what public finance is all about and what social welfare stand for as well as industrial development. It could be inferred that there all serve the same beneficiaries. According to Agba ((2015), Public finance is a combination of two separable mental impressions as follows: (Public and Finance) Public, involve group of people in a defined geographical location, practicing same culture and racial identity with a set of rules and regulations that guide her cooperate existence, including their methods of selecting their leaders. In other words, the form a system of governance, to manage their affairs and such related services that bring about improvement in their welfare (this is call economy). In a modern sense, Bassey, (2018) present a set of rules contain in a document referred to as constitution. This form their (government).

Rabiu, (2018) asserted that public sector: therefore, is a part of a country's economy whose activities both economic and non-economic are under the control and direction of the government. The prevalence of political and social ideologies informed the establishment of public sector. Simply put public sector produces public goods and provides services with the aim of maximizing the welfare of the populace. Private sector: On the other hand refers to that segment of the national economy whose activities both economic and non-economic are under the control and direction of non-governmental economic unit. In private sector this is opportunity for individual ownership, and utilization of factor input to produce goods and services with a view to making profit. The resources used for private goods are allocated through a pricing system in a competitive market based on revealed preference and income level of the consumers. While finance refer to the sourcing and utilization of fund. It is the policy measures introduced for the purpose of generating and spending money in order to attain desired goals.

Nkpoyen and Uko (2007), see social welfare as a complex and multidimensional practices meant to meet individuals and groups' socio-economic, cultural and sometimes

political needs. They are designed to solve emerging social problems. But Social welfare, according to Stanley (2014), is seen and conceptualized as “including all those problems of social intervention that have primary and direct concern with promoting the well-being of individuals and of socially and economically sponsored programmes and activities by individuals’ groups, organizations, institutions etc. to help alleviate promote and enhance a purposeful life for members of the society. Industrial development. Usang (2019), state that industrial development in Nigeria comprises of all the activities leading to extractive, manufacturing, processing, marketing (export and import) that take place in the country.

Given the foregoing, the beneficiaries of all these activities (public finance, social welfare and industrial development) remain the residents in the country Nigeria. The issue of discuss therefore remain how well has the residents of Nigeria fared, the issue of poverty seems to be in the increase, even the already employed are not out of it, the industrial sector are growing at snail speed, the educational sector is enduring in the midst of plenty, what is needed to be done in the circumstance. These are the paradigm this paper intent to unrevealed

### **Public Finance**

Rotimi (1989), asserted that public finance which refer to all activities of government in generating and allocating (spending) revenue towards ensuring efficiency of the state and the general well-being of the people include the operation of the public treasury and its implications. Basically Public finance centres on the revenue expenditure process of the public authorities in order to achieve macroeconomics goals and objectives. The common set goals and objectives of an economy according to Amang (2004), are as follows:

1. High level of employment: One of the goals of public finance is to enable the government to attain full employment of the country’s labour market. A high level of employment will lead to rise in gross domestic product and per-capita income. This is most often achieved through the provision of social services, in Nigeria some of this social services include, the National Directorate of Employment, Directorate for Food, Road and Rural Infrastructure as well as other agencies.
2. Relative stability: It is the goal of public finance, to bring about price stability. Price stability implies a situation in which there is minimal change in the prices of goods and services in the country. Government commonly pursue the policy of price stability because it is essential to economic stability. Price stability eliminates unnecessary fluctuation in the price and value of money as well as uncertain in business transactions.
3. Increase in per capita income: Per capita income is otherwise referred to as income per head. It is arrived at by dividing gross domestic product by total population. Gross domestic product is the money value of all goods and services produced in a country during a given year. Gross domestic product measures the productivity level of a country as well as its per capita income. Per capita income is a measure of living standard and welfare of a country. Therefore, one of the objective of the government is to achieve a high per capita income, which is a yardstick for economic growth and development.
4. Favourable balance of payment: Balance of payment is a record of all economic transactions between households, firms and government agencies of one country and the rest of the world during a given period of time. It shows the country’s trading position, changes in its official reserves. Balance of payment can be favourable or unfavourable. It is favourable when total payments exceed receipts. A situation of unfavourable balance of payment must be corrected by government and this may lead to so many import restrictions policy such as ban or embargo on importation, devaluation of currency, foreign exchange

control, etc. It is worth mentioning that these policies negatively affect the welfare of the people (Mustapha, 2000).

5. Reduction in poverty and income inequality: The government owes it's as a duty to ensure equal and fair distribution of wealth in a country. If allocation and distribution of resources and wealth are left in the hands of price mechanism some members of the public will be deprived of the basic necessities of life like water, electricity, health etc., hence government intervention is necessary to guarantee fair distribution of wealth. This can be achieved by providing public and merit goods for the generality of the people. Similarly, progressive tax can be used to achieve this objective.
6. Diversified and self-reliant economy: A diversified economy is an objective that most developing economies try to achieve because of its benefit in strengthening the economic base of the country as well as reducing reliance on developed countries. A self-reliant economy is less affected by economic imbalance of other countries.

Maduka (2018), posit that the term public finance which is also referred to public revenue is known as "Government Finance" or "Public Moneys" It's defined by Section 2 of the Finance (Control and Management) Act of 1958 to include: The Public Revenue of the Federation. Any moneys held in his Official Capacity whether subject to any trust or specific location or not by an Officer in the public service of the Federation or by any agent of the government either alone or jointly with any other person. Modern day governments became involved in economies via intervention through fiscal policy using discretionary changes in the levels of government taxes, expenditures, and borrowings to achieve desired socio-political and macro-economic objectives. However, Ani (1997), assert that public finance or government revenue refers to various sources of income to the government. Revenue can be classified into broadly two sections, namely. Oil Revenue, Non-Oil Revenue. Oil revenue: includes petroleum profit tax, rent royalties and government Crude Oil Sales, and proceeds from domestic consumption, etc.

Non-oil revenue: refers to direct taxes, Company tax, Income tax, Personal Income tax. Petroleum Profit tax. Indirect taxes include excise duties, import duties, purchase tax and others. Tax revenue and non-tax revenue: The tax revenue includes or consists of both direct and indirect taxes while the non-tax revenue refers to income accruable to the government outside its taxes such as operating surplus from its parastatals. In many cases. Government Revenue is classified into Heads and Sub-Heads as shown in the examples below: Government Revenue or Moneys accruing to the government to meet its services are derived from various sources but largely from oil revenue and additional revenues from non-oil revenue. The bulk is derived from oil revenue. Oil Revenue Comprising Mainly: Joint Venture Cash Calls Royalty (JVC): Petroleum Profit Tax; Rent: NNPC Earning from Direct Sales. Sales of Gas (Crude Oil Sales); Proceeds from Domestic Market: Penalty from Gas Flared: Pipeline Licenses and other fees Excise and VAT on Domestic Crude Non-Oil Revenue: Customs and Excise: Direct Taxes: Mining.

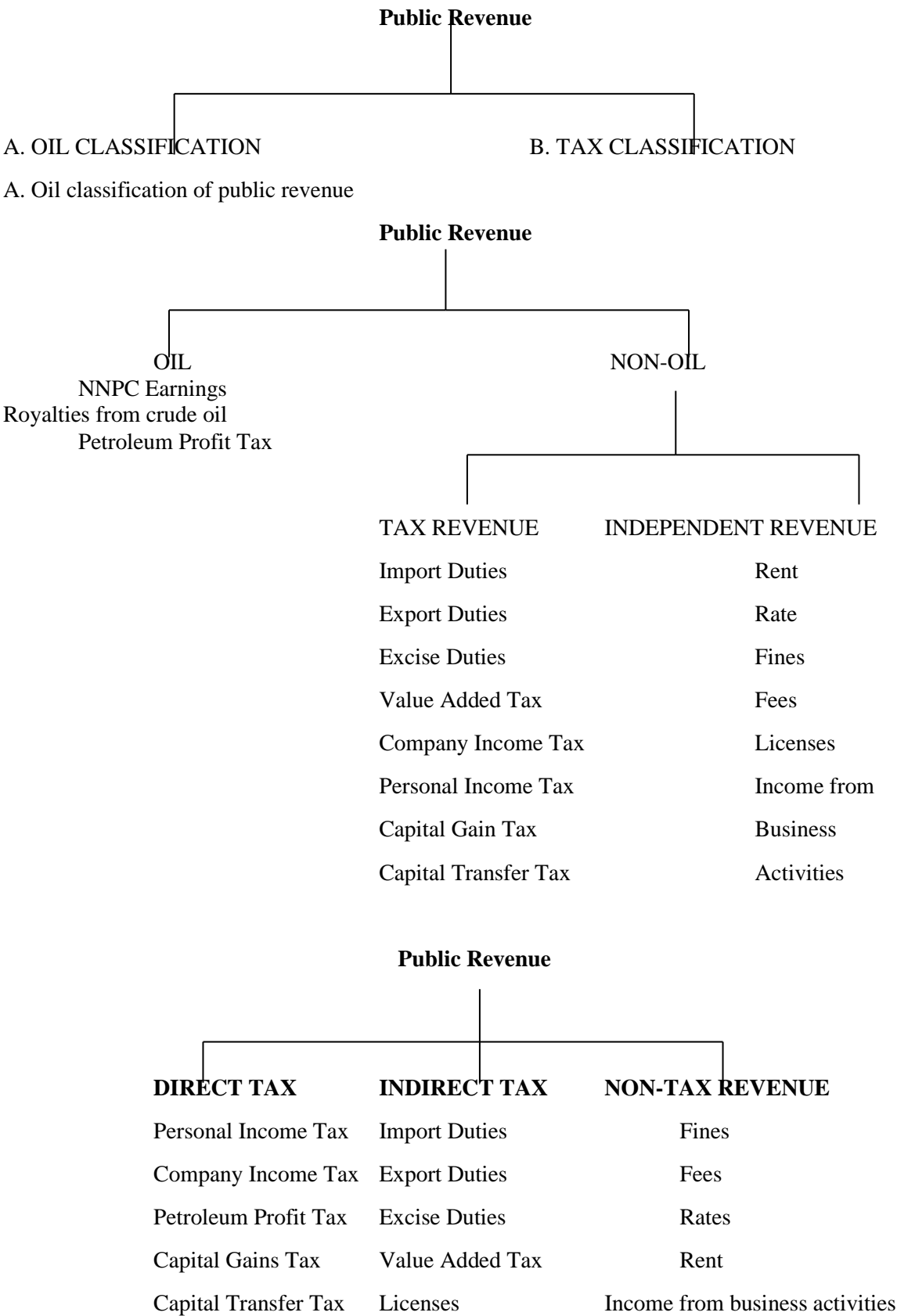
Kalu, (1996) listed the various sub- heads used in public revenue as follows Head 001: Customs and Excise: Import Duties. Export Duties. Excise Duties: Fees. Head 002: Direct Taxes; Company Income Tax; Federal Government Independent Revenue; Value Added Tax (VAT). Technical Committee on Privatization and Commercialization (TCPC). Pump Price of Petroleum Product (PTF). Back Duty Penalties; Capital Gains Tax: Surcharge on Pioneer Companies; Personal Income Tax; Pump Duties and Penalties. Head 003 Mining, Oil Pipelines License Fees: Rent or. Mineral Licenses; Royalty on Oil and Gas Sales; NNPC Earning from Direct Sales; Sales of Crude oil for Domestic Consumption; Penalty for Gas Flared. Heads 004

and 005: (Vacant) Head 006: Statutory Allocation from Federation Account: Federal Government share of Federation Account. Head 007: Direct Taxes Sub-heads, Personal Income Tax: Armed Forces, Police and Foreign Affairs; Personal Income Tax: Federal Capital Territory Residents. Company Pre-Operation Levy: Sales Tax in Abuja: National Economic Recover. Fund Arrears: Personnel Income Tax: Non-Residents; Capital Gains Tax L.T.D (ESG); Non-Resident Individual I.T.D (RS) Non-Resident Company I.T.D (RC): Value Added Tax (VAT). Head 008: Licenses and Internal Revenue Sub-Heads Goldsmith and Gold Dealer Licenses; Radio and Station Licenses; Arms and Ammunition Licenses, Head 009: Mining Sub-Heads Mining Fees; Penalties for Arrears of Rent, etc. Royalty on Tin. Head 0010: Fees Sub-Heads, Supreme Court, Industrial Court; Trade Marks: Fees; Company and Business Name: Fees; Passport Fees. Deeds Registration Fees (F.M.W. & H.) Passport Fees; Deeds Registration Fees (F.M.W.& H.) Head 0011: Earnings and Sales Sub-Heads, Earnings and Sales (Aviation); Earnings and Sales (G.C.A.); Establishments and Stores; Prisons. Head 0012: Rent on Government Property Sub-heads, Rent on Federal Government quarters, Junior Staff; Fees for Temporary Occupation; Oil Plot Rents and Aerodromes, Head 0013: Interests and Repayments: General Sub-Heads. Investments General; Joint Consolidated Fund; Stock Transfer; Central Bank Operation; Nigeria National Petroleum Corporation (NNPC) Operating Surplus, Head 0014: Interests and Repayments: State Government Sub-heads 1959 FRN 1st Development Loan Stock; interest: 1959 FRN 1st Development Loan: Sinking Fund; 1961 Exchange Loan: interest; UK Exchange Loan: interest. Head 0015: Reimbursement (8) Sub-Heads, Reimbursement of Audit fees; Police Secondment fees and Reimbursements; Aviation Unity Service. Kano and Ikeja; Cost of Collection of Customs and Excise; Revenue part Reimbursement State Government, Head 0016: Armed Forces: Sub-Heads Rent; Sales; Electricity and Water Receipt Head 0017: Miscellaneous Sub-Heads, Refund of Overpayment. Deposit of lapse; Sundries

Iwhela (2011), argued that public revenue is narrower in scope than the public receipt. Public revenue excludes such items as borrowing, gift, grants, aids, disposal of government capital asset, printing of currency as well as re-imbursement. The 1979 constitution between the revenue and other money in section 149 and 74 (1) respectively. it can be concluded that public revenue refers to the income accruing to the government from the performance of economic activities such as taxable income, fees, fines, rates, royalty etc. while public receipts refers to the total money received by the government inclusive of gifts, grants, aids etc. Value Added Tax (VAT) a value added tax is a tax imposed on the value added to goods and services at each stage of production. VAT is a consumption tax on the economic activities. It originated from the Treaty of Rome signed by the European Union countries in the late 1960's. Unlike sales tax which is based on the total value of goods and services, VAT is based on the net value or value added at each stage of production until the goods get to the final consumers. The final sales value represents the actual value added at different stages

### **Public Revenue Tree**

Public Revenue Tree is a graphical description of public revenue according to their classifications and ungrouping.



**Public Revenue**

**DIRECT TAX**

Personal Income Tax  
Company Income Tax  
Petroleum Profit Tax  
Capital Gains Tax  
Capital Transfer Tax

**INDIRECT TAX**

Import Duties  
Export Duties  
Excise Duties  
Value Added Tax  
Licenses

**NON-TAX REVENUE**

Fines  
Fees  
Rates  
Rent  
Income from business activities

Source: Annual Financial Report of Local Government 1994

Ibe (2017), explain the merit of VAT 1. It reduces the incentive to evade tax by any form. The use of VAT helps a country in encouraging its exports. In order to get a competitive edge over others, a country may refund the taxes paid on the exportable goods because it is easy to separate tax from the cost of production. 3. It is neutral with regard to resource allocation. Also, it is neutral between factors costs because it taxes all value added to goods during production process. 4. It is conducive to efficiency since no firm is exempted from tax liability even if it runs into a loss. It pays a tax not on its profits but on the value produced. It therefore, tries to improve its performance, and reduces the cost of production. 5. It is cheap in terms of administrative.

Obasaki (2002), considered the demerits of VAT to include It is a complicated system and needs an honest and efficient government machinery to do the across checking and link up various production activities and the resulting tax and liability of each firm. It requires proper keeping of accounts, which is a remote possibility especially in a developing country like Nigeria where majority, are no lettered. Also, maintaining elaborate and costly accounts may be highly uneconomically for small firms. It widens the inequality in income distribution. It is regressive with respect to income.

### **Public expenditure:**

What is public expenditure? Akpan (2005), stated that public expenditure refers to the expenses which the government incurs for maintaining itself and the economy as a whole. It is the cost incurred by the public sector in order to achieve specific objectives. Public expenditure can also be defined as the expenses incurred by the government in the course of performing its operations. It includes salaries and wages of civil and public servants, road construction, defense, maintenance of law and order, public infrastructure. Akpama (2004), gave reasons for increase in public expenditure as follows:

- i. Increase in area and population; the increase in public expenditure is due to the fact that the physical boundaries of the state have been widened. The population figure has considerably gone up and the government has to cater for the needs of people scattered over a much wider area Growth of state function; as the classical doctrine of laissez faire gave way to Keynesian economies, the role of the government gradually expanded from that off maintenance of law and order, to a welfare state. Government expenditure items therefore expanded from the maintenance of the police and state bureaucracy to include the provision of basic needs and public infrastructures, Higher price-level ad rising cost of public services Persons, who had seen good old days in Nigeria or have heard about them, tell us that there was a time when Lux soap was sold for 50k whereas not it sells for N 50.00 or thereabout. There has been a similar rise in prices of other commodities. Governments, like individuals therefore, have to find larger amount of money to pay for the commodities and the services they have to purchase. Provision of public utility services (water, electricity and transport. This also adds to the increase in public expenditure, for example, provision of more public utility services like water, electricity, transport services, hospital etc. These utility services are best provided by the state government authority.

Fafunwa (2007), added that other reason to include; Expansion in social services (Education, Health). In modern times, there has been a remarkable expansion in social services like education, public health measures and medical aid. Expansion in educational facilities has led to the establishment of schools, colleges and universities in large numbers. There are environmental sanitation exercises and other measures to clear slums in our surroundings. All such expenditures are regarded as productive investments since they lead to increase in income

and employment. Technological changes. Technological inventions call for larger or new production in the public sector and such improvements in technique can best be exploited by the government. All the inventions give rise to development and improvement in the life of the people. Defective financial and civil administration, not a small/increase in public expenditure is due to defective financial and civil administration. Duplication and unnecessary multiplication of governmental agencies is not uncommon. Requirements of full employment

Harvey (1995), stated that a modern state is anxious to attain full employment. To provide employment for all, government must launch ambitious schemes of public works and public undertaking. Naturally, the public expenditure must shoot up. Increasing cost of servicing debt. The existence of deficit budgeting and balance of payment deficit call into existence the need to run into debt, which must be paid. Hence, the need to meet the repayment schedules lead increase in public expenditure. Inflation. The increase in price of inputs and other goods purchased by public sector has resulted in an increase in public expenditures. Roles of public expenditure in a developing economy. Under-developed nations are keen on rapid economic development, which requires huge expenditure in the various sectors of the economy. Economic development has to depend almost entirely on public expenditure. Public expenditure promotes economic development in the following ways: Social and economic overheads Economic development is handicapped in underdeveloped countries on account of lack of the necessary infrastructure. Economic overheads like roads and railways, irrigation and power projects are essential for speeding up economic development. Social overheads like hospitals, schools and colleges and technical institutions are also essential. Balanced regional growth.

Special attention has to be paid to the development of backward areas and under-developed regions. This requires huge amounts for which reliance has to be placed on public expenditure. Development of agriculture and industry. Agricultural development provides the base for industrial development and therefore has to be given top priority. Government has to incur expenditure in the agricultural sector, e.g. on irrigation and power, seed farms, fertilizer factories, warehouses. In the industrial sector too, government needs to set up public enterprises like the steel plants, heavy electrical engineering and machine making factories. Exploitation and development of mineral resources. Minerals provide a base for further economic development. Government has to undertake schemes of exploitation and development of essentials mineral resources which a very essential for economic growth and development e.g. coal and oil. Subsidies and grant. The central government gives grants to state government and state government to local authorities to induce them to incur desirable expenditures.

### ***Social Welfare Services***

Social welfare is a system of laws, programmes, benefits and services which strengthen or assure provisions for meeting social needs recognized as basic for the welfare of the population and for the functioning of the social order. It is a necessary feature of any development plan for the improvement of the welfare of individuals, groups and communities. Thus, it is organized activities for the promotion of social well-being through helping people to help themselves in meeting needs in such areas as family and child life, health, social adjustment, standard of living and social relationships. These services are designed to secure for each human being as much as possible the economic and social necessities, a decent standard of health and living conditions, equal opportunities, freedom of thought among others.

Social welfare services scheme (SOWESS) deals with special, education, primary health services, establishment and maintenance of recreational centres, public awareness facilities, youth and student hostels development, environmental protection facilities, food

security provisions, agricultural input provisions, micro and macro credits delivery, rural telecommunication facilities, provision of mass transit and maintenance culture.

### **Social welfare processes**

Social welfare service has three basic processes social casework, social group work and community welfare organization. Ndubisi, (2018) state that *Social Case Work* is concerned primarily with the individual and his adjustment to life and involves a situation whereby an individual who has a problem seeks the professional assistance and counselling of the welfare agency. The problem may be social problems, marital/mental cases, emotional or financial which could make him unable to handle the situation by himself unaided.

*Social Work Group*, seeks to assist the individual in his relation with certain groups. It embraces educational and recreational activities under the assistance of a leader. Emphasis here is placed essentially on the development of the individual in a group situation as well as the development of leadership skills and group interests including ability to lead and willingness to follow.

Azu (2019), observe that community welfare organization focuses on a longer and more inclusive welfare problems of the whole community rather than the individual and his needs or the group and its growth. It therefore implies programmes for the satisfaction of the needs of the community as a whole. Such services among others include markets, transport facilities, health facilities, and educational projects. The processes are complementary and each is an integral part of the functioning profession and are enhanced through social welfare administration and social action (the enthusiasm generated on the mass level in support of and in execution of programmes for individuals, groups and community improvement).

### **Social welfare; functions and administration**

The social welfare is one of the major institutions that assist in the development of social/basic services or amenities or securities such as pension scheme, loans, promotion of employees, fringe benefits, training programme, financial incentives, accident insurance scheme, essential commodities, transportation, "education, housing, health facilities in the larger society. Sentolis (2018), posit that the cumulative impact of social welfare service enhances socio-economic transformation and societal improvement. That social welfare helps to reduce to the barest minimum social, economic, psychological and cultural constants that persist in diminishing the quality of life of both the working and non-working populace especially the vulnerable societal members and groups. Social workers use the social welfare medium to effect, solve, treat or prevent or manage social problems that may hinder societal or individual's effective contribution to improved standard of living.

Nero (2017), saw social welfare from the lenses of a social worker who holds a major mandate to work towards social betterment through established methods and institutionalized roles in the social system. Thus social work has been moving towards a systematic, organized a scientific method of professional practice. Social welfare is a fundamental function of social work; social work itself as a professional field if service based or oriented on scientific knowledge or skill in human relations-which helps individuals, groups, institutions or communities obtain social or personal satisfaction and independence.

### **The objectives of social welfare**

Musa (2018), listed the objectives of social welfare to include; to develop, maintain and strengthen basic welfare services so that it can meet human needs. To assure adequate standard of subsistence, health and welfare for all. To enable people, function optimally within their social institutional roles and statuses. To support and improve the social order and institutional



structure of society. The practice of social work takes place within their basic needs and at promoting their well-being in harmony with the interest of their families and communities.

### **Functions of social welfare administration**

Functions of welfare administration according to Dambasu (2016), include: *Fact Finding*: This depends on social agencies and objectives. Fact finding requires research into the social or health conditions that make the planned services of the agency necessary. *Analysis of Social Conditions and services to meet human needs*: An analysis of the social problems that the agency serves permits it to estimate the type and number of services that will be needed and to evaluate the trends for the future, based on statistical data of previous experiences. *Decision on the best ways of reaching their Objectives*: When social needs are diagnosed, the agency must decide which alternative course of action to follow, considering how it can make the most constructive use of its personnel and equipment. *Planning and Allocating, Resource*. This is carried out on the basis of preceding choice of alternatives while considering how the objectives of the social agency may best be realized. The immediate and long term goals of the agency are clarified and policies developed that direct the work of the agency to meet the changing needs of its clients. *Setting up organizational structure and work Assignments*: Setting up the organizational structure of the agency leads to a distribution of duties to the members of staff with a clear definition of responsibilities concerning their work, delegation of authority to enable members of staff to know exactly what their assignment and responsibilities are, supervision and the establishment of standardized operations.

Chinedu (2016) state that personnel administration determines policies on recruitment and employment in the agency, promotions, salaries and working conditions. A fair evaluation of the performance of the staff to ensure efficient service and good morale is necessary. Rules for retirement and dismissal, in-service training and grievance procedures are part of personnel administration. *Supervision and Control of Personnel and Finances*: Control of the agency's operation secures the proper, function of the organization and the attainment of its objectives. It requires coordination of the staff activities, supervision and regular communication, consultation services, staff conferences and financial control measures. *Recording and Accounting*: Recording and accounting for all essential activities and material expenses of the agency are necessary to provide a reliable analysis of its budgetary operations which have to be reported to its governing body and to the legislative authority under which the social agency work. It allows for an evaluation of the efficiency of the operations and suggests.

*Supplying Financial Resources*: The mobilization of the financial resources of the agency depends on its nature and structure. In public agencies, the administration of the budget requires negotiation for the allocation of funds with the federal, state or local government in private welfare organizations, money from special campaigns is relied on for funds. Ayodele (2017), asserted that budget controls guarantee that the money received is spent economically and in accordance with the policies and rules of the agency. Budget also describes the allocation of the funds available to the branches and divisions of the agency so that each of them can operate most effectively. Children and youths are human beings who need what every other human being needs. They are young persons who still depend on others for survival and who therefore need much care through a variety of services to better their lots. As leaders of tomorrow, they should be given proper care that would enable them to grow into sound and useful beings who will be able to efficiently pilot the affairs of the society. The emergence of social welfare services for children could be traced to the global recognition of the need to protect children from all forms of deprivation which endangers the overall development of the child.

## **Industrial development in Nigeria**

According to Inyang (2004), Industrial development is an important mode of production in modern society and is the process that provided livelihoods for millions of people all over the world, because it creates a massive pool of employment opportunities for citizens. The level of industrial development is what pigeon holes a country into developed, underdeveloped or emerging economies, without gain saying the fact, Nigeria possesses the ingredients that it requires to become a leading industrial economy in the global market and supported by its massive population of close to 180 million people, its domestic market swarms with a ready army of consumers for its industrial goods and services.

## **Challenges facing industrial development in Nigeria**

The impediments to industrial development in Nigeria include the following:

First, industrial development, over the years, has been challenge by lack of political will or courage to bring about industrial transformation in Nigeria. The experiences of countries such as china, Singapore, Malaysia, Indonesia and India, among others, show that these nations took actions based on conviction and courage as inspired by their visionary political leadership. In Nigeria, the absence of political will has hampered the full implementation of its industrial policies which could have turned around its tortures. In some instances, it has led to halfhearted or poor implementation of these policies or led to lack of an integrated industrial policy framework for the country. Without such visionary plans, the debouchment of Nigeria as a dominant industrial economy in the global market has remained at best a work in progress and at worst a fantasia.

Second, while the political leadership has continued to controvert the slew of accusations cast at it and its member for corruption, diurnal events in the political and economic life in the country have further reinforced the belief that a generality of the people have that corruption has become a hydra headed monster that must not only be put on a leash, but must also be decapitated if the country is to experience any progress in its industrial development stride. Urim (2013), have argued elsewhere that although corruption is not a Nigeria phenomenon, it haunts the nation is a spectra and has permeated the entire fabric of state acting as a devious albatross to national development. Among the several traits of corruption in the public realm in Nigeria such as outright bribery and inducement, patronage, nepotism, influence Redding, use of one's position for self-enrichment, bestowing of favors on relations and friends, abuse of public property, leaking and/or abuse of government information. Embezzlement of state funds particularly earmarked for development purposes such as road reconstruction, National electrification projects, diversion of funds meant for the iron and steel sector and the provision of social overhead capital Viz education, health, security and others has remained a vicious rape of the common wealth. For many years, this malady, aided, by dwindling national resources has incapacitated government making it unable to fund development project that could have supported industrial development in Nigeria.

## **Theoretical frame work**

### ***The Displacement Theory***

The Displacement theory was propounded by Jack Wiseman and Allan T. Peacock (1962). Their main assumption was that government expenditure does not grow in a smooth and gradual manner, but in Jack or stepwise version. The occurrence of unexpected social disturbance would necessitate an increase in government expenditures. For example, the recent insurgency in the north east Nigeria. Necessitated government spending money to repair the damage done to lives and property in the affected areas. However, the unwillingness of the

citizens to pay tax usually reduces government revenue thereby making it incapable of operational activities.

Akinsanya and Idang (2002), noted that the inadequacy of revenue position compared with the desired expenditure would lead to inspection effects by viewing the revenue position and finding solutions to revenue shortage. As a result of this, both the government and the people would attain a new level of tax tolerance. The tendency of government to take larger proportion of national economic activities resulting from unexpected occurrences.

***The Critical-Limit Hypothesis:*** Cohen Clark hypothesized that when the share of the government sector exceeds 25 percent of total economic activity of the country, inflation occurs even under balanced budget. Hence, the income earners will be so affected by reduced incentive (due to high tax incidence) that their productivity suffers. They produce much less than they are capable of, leading to curtailed supply. On the other hand, demand effects of the government financing become quite strong even if the budget remains balanced as a result of the maladjustment between demand and supply. This hypothesis has been faulted because quite a few countries have crossed the 20% limit without confronting significant inflationary pressures. Moreover, whether or not government's budgetary activities would lead to inflation also depends upon the manner in which the public expenditure is incurred, (Inyang, 2013)

## Methodology

The research design adopted for this study is the survey design. The study was conducted in Southern Senatorial District of Cross River State. Seven local Government area were involved, Akpabuyo, Akamkpa, Bakassi, Biase Calabar Municipal, Calabar South, Odukpani. The population consist of all the women aged 18 and above. Three sampling procedures- purposive, stratified and systematic were adopted. Purposive sampling technique was adopted in studying one out of three strata senatorial districts in Cross River State. The seven local government area formed the seven strata of the study. To select the respondents for the study, systematic sampling procedure was adopted. The sample was made up of 400 respondents. Fifty-Seven respondents were selected from each local government. Total numbers of respondents from the aged of 18 and above were involved in study. Data were elicited from respondents using a four point likert scale questionnaire. The questions were divided into two major using a four point likert scale questionnaire. The questions were divided into two major sections. Section A, was the demographic variables of respondents, section B accorded the study the needed topical data on the public finance, social welfare and industrial development paradigms in southern senatorial district of cross river state Nigeria.

## Hypothesis one

Ho I; Public finance has no significant relationship with industrial development paradigms in southern senatorial district of cross river state.

**Table 1: Contingency distribution table for test of hypothesis one**

Options	Response	Percentage
Agreed	150	37.5
Strongly Agreed	100	25
Disagreed	80	20
Strongly Disagreed	70	17.5
Total	400	100

**Table 2: Pearson product moment correlation analysis of the relationship between contribution through public finance and development paradigms in Nigeria**

X	Y	XY	X <sup>2</sup>	Y <sup>2</sup>
150	37.5	5,625	22,500	1,406.25
100	25	2,500	10,000	625
80	20	1,600	6,400	400
70	17.5	1,225	4,900	306.25
400	100	9,350	43,800	2,757.5

$$\begin{aligned}
 & \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[(\sum x^2) (\sum x)^2] [n(\sum y^2 - (\sum y)^2)]}} \\
 = & \frac{5(9,350) - (400)(100)}{\sqrt{[(43,800) - (160,000)][5(2,757.5 - (10,000))]} \\
 & \frac{46,750 - 40,000}{\sqrt{-116,200 - 3,787.5]} \\
 & \frac{6,750}{\sqrt{112,412.5}} \\
 & \frac{6,750}{335.3} = 20
 \end{aligned}$$

Total critical value

$$\begin{aligned}
 & \text{TC} = y \\
 & \sqrt{1 - y^2} = \\
 & \frac{20}{\sqrt{1 + 20}} \\
 & \frac{5 - 2}{3} = 6.6
 \end{aligned}$$

Critical value of 0.05 degree of freedom

$$TT = 5 - 2, \quad TC = 6.6$$

### Hypothesis two

Ho ii; social welfare policy has no significant relationship with industrial development paradigms in southern senatorial district of cross river state.

**Table 3: Contingency distribution table for test of hypothesis two**

Options	Response	Percentage
Agreed	150	37.5
Strongly Agreed	100	25
Disagreed	80	20
Strongly Disagreed	70	17.5
Total	400	100

**Table. 4: Pearson product moment correlation analysis of the relationship between contribution through public finance and development paradigms**

X	Y	XY	X <sup>2</sup>	Y <sup>2</sup>
150	37.5	5,625	22,500	1,406.25
100	25	2,500	10,000	625
80	20	1,600	6,400	400
70	17.5	1,225	4,900	306.25
400	100	9,350	43,800	2,757.5

$$\begin{aligned}
 & \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[(\sum x^2) (\sum x)^2] [n(\sum y^2 - (\sum y)^2)]}} \\
 = & \frac{5(9,350) - (400)(100)}{\sqrt{[(43,800) - (160,000)][5(2,757.5 - (10,000))]} \\
 & \frac{46,750 - 40,000}{\sqrt{-116,200 - 3,787.5]} \\
 & \frac{6,750}{\sqrt{112,412.5}} \\
 & \frac{6,750}{335.3} = 20
 \end{aligned}$$

Total critical value

$$\begin{aligned}
 TC &= \frac{y}{\sqrt{1 - y^2}} = \\
 & \frac{20}{\sqrt{1 + 20}} \\
 & \frac{5 - 2}{3} \\
 = & \frac{20}{3} = 6.6
 \end{aligned}$$

Critical value of 0.05 degree of freedom

$$TT = 5 - 2, \quad TC = 6.6$$

### Hypothesis three

Ho iii; Industrial development has no significant relationship with development paradigms in southern senatorial district of cross river state

**Table 5: Contingency distribution table for test of hypothesis 3**

Options	Response	Percentage
Agreed	140	35
Strongly Agreed	100	25
Disagreed	100	25
Strongly Disagreed	40	10
Total	400	100

**Table. 6: Pearson product moment correlation analysis of the relationship between industrial and development paradigms**

X	Y	XY	X <sup>2</sup>	Y <sup>2</sup>
140	35	4,900	19,600	1,225
100	25	2,500	10,000	625
100	25	2,500	10,000	625
40	10	400	1,600	100
400	100	5,449	41,200	2,575

$$\begin{aligned}
 & \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[(\sum x^2)(\sum y^2) - n(\sum y^2 - (\sum y)^2)]}} \\
 = & \frac{5(5,449) - (400)(100)}{\sqrt{[(41,200) - (160,000)][5(2,757 - (10,000))]} \\
 & \frac{27,245 - 40,000}{\sqrt{25,200 - 2,787}} \\
 & \frac{12,755}{\sqrt{22,325}} \\
 & \frac{12,755}{149.4} = 85
 \end{aligned}$$

Total critical value

$$\begin{aligned}
 TC &= \frac{y}{\sqrt{1 - y^2}} \\
 &= \frac{85}{\sqrt{1 - 20}} \\
 &= \frac{85}{3} = 28.3
 \end{aligned}$$

Critical value of 0.05 degree of freedom

$$TT = 5 - 2, \quad TC = 28.3$$

## Summary and conclusion

It can be summarized that both public finance, social welfare and industrial development serve the same population in the country while public finance deals with revenue and expenditures, social welfare relates to the provision of amenities which these revenue and expenditure could provide for the citizenry through public agencies like the industries. It is stated in national financial report (2000), that public agencies exist primarily to provide services for the community, whether to individuals, families or the wider community. Additional to their service role, however, most public organizations can trade for profit motive. Profit-making is not the primary objective, and indeed most public agencies are funded from taxation or from rates or community charges, which are independent of the amount of services consumed by individual payers. They do not have share capital, make profits or pay dividends. They may end up with annual surpluses (i.e. excesses of income over expenditures). But this is not usually a planned objective and any surpluses will normally be carried forward or in some way reinvested within the service except that in the case of services funded directly by central government, unspent balances/surpluses are at the end of each financial year lapse and revert to the treasury.

Indeed, in most public services there is a culture or belief that there are some important needs or services which are not provided because of insufficient funds, so it would typically be seen as a sign of management failure to end the year with a revenue surplus. Some of the social welfare services includes; the needs and the millennium development goals, education, public works and housing, intervention schemes power, communication, solid minerals, manufacturing small and medium size enterprises and health sector. Given the foregoing this review, have also perused industrial development in Nigeria from the belvedere of some fundamentals that can underprop the process. Making these brass tacks available will be and should be the focus of government.

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