

HOW SUCCESSFUL IS OUR IMPORT SUBSTITUTION POLICY

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Focus on Import Substitution Policy became evident during late 1950's as shortage of foreign exchange became a drag on our development efforts. The examination and identification of our imports indicated that several of the commodities imported could be produced with ease domestically. Our local entrepreneurs were also willing to undertake productions of a few of the commodities which were imported in the past because of various incentives offered by the State and because they were quite clear in their minds as to the future demands for these commodities. Some claim that the

protection offered by the State for the production of these commodities had led to wasteful uses of scarce resources.

It is, therefore, considered interesting to investigate what changes have taken place as regards policies adopted for import substitution over a period of years, what forces were responsible for effecting the changes in policies and to what extent we are successful in our aspirations.

This study is, therefore, an attempt to evaluate our achievements in relation to our targets in the area of import substitution. The study reveals that we were successful as regards a few commodities but failed in others. This paper will discuss the probable reasons for its successes and failures in our endeavours.