
THE EFFECT OF ENTREPRENEURSHIP ON ECONOMY GROWTH AND DEVELOPMENT IN NIGERIA

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ABSTRACT: *This paper discusses the evolution and current development of principles and practice of entrepreneurship in Nigeria. It also examines the effect of entrepreneurship in fostering economic growth and development. The methodology adopted was the narrative-textual case study (NTCS) method, which is preferred because of the absence of sequential data related to entrepreneurship and sustainable economic growth in Nigeria. However, interviews were also conducted. We used simple percentages, graph and chart in analyzing and interpreting the collated secondary data. We found that Nigeria's economy has continued to grow over the last decade- with the real GDP growth rate hovering around 7%. It was also found that entrepreneurship can enhance economic growth and development primarily by generating employment and foster the growth of micro, small and medium enterprises in Nigeria. We recommend that there should be proper policy coordination and policy stability; reforms in the educational curriculum to prepare students for self-reliance; and fixing the power sector-Nigeria's basic infrastructure. When we have flourishing micro, small and medium enterprises (MSMEs), gainful employment will be created, wealth created will be distributed evenly and economy is developed.*

KEYWORDS: Micro, small and medium enterprises (MSMEs), GDP growth rate, Narrative-Textual Case Study (NTCS) and interview

BACKGROUND OF THE STUDY

Nigeria is naturally endowed with entrepreneurship opportunities; however the realization of the full potential of these opportunities has been dampened by the adoption of inappropriate industrialization policies at different times. Several policy interventions that were aimed at stimulating entrepreneurship development via small and medium scale enterprises promotion, based on technology transfer strategy, have failed to achieve the desired goals as it led to the most indigenous entrepreneurs becoming distribution agents of imported products as opposed to building in-country entrepreneurial capacity for manufacturing, mechanized agriculture and expert services (Thaddeus, 2012).

With the collapse of the last vestiges of the socialist economic system in 1991, virtually the whole world has embraced free enterprise economic system. Entrepreneurship is the cornerstone and at the heart of the free enterprise economy (Popoola, 2014). Entrepreneurship is an activity that involves the discovery, evaluation and exploitation of opportunities to introduce new goods and services, ways of organizing, markets, processes, and raw material

through organizing efforts that previously had not existed (Shane and Venkataraman, 2000; Venkataraman, 1997).

Moreover, studies by UNIDO-Nigeria, 2012 show that Micro, Small and Medium Enterprises (MSMEs) has the propensity to drive the Nigerian Economy, and data reveal that there are currently over 17 million MSMEs employing over 31 million Nigerians. MSMEs account for over 80% of enterprises that employ about 75 % of the Nigeria's total workforce, and therefore formulating and effectively implementing MSMEs friendly policies represents innovative ways of building the capacity to engage in entrepreneurial activities and creating job opportunities thus, playing a central and invaluable role in helping Nigeria realize its quantity advantage.

In addition, the 2012 Global Entrepreneurship Monitor (GEM) has empirically identified Nigeria as one of the most entrepreneurial countries in the world. The study showed that 35 out of every 100 Nigerians (over a third) are engaged in some kind of entrepreneurial activity or the other. It is therefore imperative at this point in time to critically evaluate not just the principles of entrepreneurship but the practice and its crucial role in fostering economic growth and development in a developing economy like Nigeria.

The hypothesis that entrepreneurship is linked to economic growth finds its most immediate foundation in simple intuition, common sense and pure economic observation: activities to convert ideas into economic opportunities lie at the very heart of entrepreneurship. Entrepreneurship is a source of innovation and change, and as such spurs improvements in productivity and economic competitiveness (UNCTAD, 2004).

Entrepreneurship is not synonymous with small business. Certainly, small firms are an outstanding vehicle for individuals to channel their entrepreneurial ambitions. The small firm is an extension of the individual in charge (Lumpkin and Dess 1996). However, entrepreneurship is not restricted to persons starting or operating an (innovative) small firm. Enterprising individuals in large firms, the so-called 'intrapreneurs' or 'corporate entrepreneurs', undertake entrepreneurial actions as well.

Nigeria's GDP growth rate of between 6 – 8 percent in the last ten years shows the country is one of the fastest growing economies in the world. The implication is that any good business established is capable of generating unusual and above average returns. It is one of the few countries with the highest returns on investment anywhere in the world- money, market, capital market, mutual funds, real estate and property, entrepreneurship, etc (Popoola, 2014). Furthermore, for entrepreneurs to play an appropriate role, the role of the state remains important; if not more so than before. Strong states, as regulators and gatekeepers, play a particularly vital role. In the absence of appropriate 'rules of the game', entrepreneurship may result in undesirable social outcomes, including corruption, crime, speculation and financial crises, and may worsen the vulnerabilities of people during natural disasters (UN Report, 2011).

What we know about entrepreneurship suggests a drastic or revolutionary change, but does it promote wealth creation, job opportunities. Although there is quite a lot of researches and studies on the link between entrepreneurship and economic growth and development, there is still the need to assess the case of the Nigerian economy. The real question is what is the

contribution of micro, small and medium enterprises (MSMEs) to the nation's Gross Domestic Product or more importantly how has the multiplicity of MSMEs bettered the living standard of the over 170 million Nigerians. Against this background, the main objective of this study includes the following: to evaluate the concept and principles of entrepreneurship, to assess the practice of entrepreneurship development in Nigeria, to examine the role of entrepreneurship in Nigeria's economic growth and development.

The remainder of this paper consists of four parts. Section 2 provides the evolution of entrepreneurship in Nigeria, recent development of entrepreneurship in Nigeria and the relationship between entrepreneurship and economic growth/development. Section 3 presents the methodology of the study. Section 4 discusses the Nigerian economic and entrepreneurship development, the analysis of the performance of the economy, the trend of entrepreneurship development such as government intervention, the prospect and challenges of entrepreneurship in Nigeria and the discussion on the finding of the study. Finally section 5 indicates the conclusion and recommendation of the study.

Evolution of Entrepreneurship in Nigeria

In the beginning, entrepreneurship started when people produced more products than they needed, as such, they had to exchange these surpluses. For instance, if a blacksmith produced more hoes than he needed, he exchanges the surplus he had with what he had not but needed; maybe he needed some yams or goat etc. he would look for someone who needed his products to exchange with. By this way, producers came to realize that they can concentrate in their areas of production to produce more and then exchange with what they needed. So through this exchange of products, entrepreneurship started. A typical Nigerian entrepreneur is a self made man who might be said to have strong will to succeed, he might engage the services of others like; friends, mates, in-laws etc. to help him in his work or production. Through this way, Nigerians in the olden days were engaged in entrepreneurship.

Nigeria was traditionally an agricultural country, providing the bulk of its own food needs and exporting a variety of agricultural goods, notably palm oil, cacao/cocoa, rubber, and groundnuts (peanuts). At this time, the place called Nigeria had entrepreneurs who had the entrepreneurial mind-set prevalent at the time. The peoples of Hausa, Ibo, Yoruba and Benin all had their own entrepreneurs (13th-19th century), who were exposed to entrepreneurship opportunities outside their native areas. The Hausas had astute entrepreneurs who managed workers with skills in tanning, dyeing, weaving, and metalworking which were highly developed. The Hausas have long been famous for wide-ranging itinerant trading, and wealthy merchants shared the highest social positions with the politically powerful and the highly educated. In Hausa land, entrepreneurial success in Islam is not merely measured by the end result but also by the way and means of achieving them (Ebo 2012).

The Ibos also specialized in buying and selling goods and have perfected their entrepreneurial expertise in inventory control, management and distribution – which up till today, has remained their prevalent way of entrepreneuring. The Yoruba are predominantly town dwellers who practiced small-scale, domestic agriculture and are well known as traders and craftspeople. Since the 13th century, Yoruba artists have been producing masterpieces of woodcarving and bronze casting. Like the Ibos, the finished products were traded on as business ventures and enterprises.

The Portuguese, the first Europeans to traverse the coast of western Africa, were attracted to Benin City in 1486. The Oba established trading contacts with the Portuguese and initially sold them some war captives, which the Portuguese sold as slaves (another sad reminder) to the Akan of Asante (modern Ghana) in exchange for gold. Later, Benin's trade with Europeans in the 16th and 17th centuries was in palm oil, ivory, pepper, and textiles. Dutch traders to Benin City in the 17th century remarked about the astute entrepreneurs they met in Benin kingdom (Ebo 2012).

Recent Development of Entrepreneurship in Nigeria

The role of government in entrepreneurship development in Nigeria became significant only after the Nigeria civil war (1967-70). Since the mid-1980s there has been an increased commitment of government to entrepreneurship development especially after the introduction of the Structural Adjustment Program (SAP) in 1986. Added to this is the establishment of the National Directorate of Employment (NDE), National Open Apprenticeship Scheme (NOAS) and, the Small and Medium Enterprise Development Association of Nigeria (SMEDAN) (Thaddeus, 2012). Fundamentally the Nigerian government promotes entrepreneurial culture through initiatives that build business confidence, positive attitude, pride in success, support and encouragement of new ideas, social responsibility, providing technological supports, encouraging inter-firm linkages and promotion of research and development.

In the early 2000s, entrepreneurship studies were introduced into the Nigerian educational system especially in higher institutions as a mandatory course. The Centre for Entrepreneurship Development (CED), which has the objective of teaching and encouraging students of higher institutions (especially in science, engineering and technological (SET)) to acquire entrepreneurial, innovative, and management skills, was established. The Centre's goal is to make the graduates self-employed, create job opportunities for others and to generate wealth (Thaddeus, 2012). He continued that entrepreneurship development in Nigeria became significant only after the Nigerian civil war. At the end of the war the 2nd National Development Plan focused on the development of the 3Rs objectives of Reconstruction, Re-development and Reconciliation. The activities in the plan challenged/tasked the ingenuity and inventive skill of the individuals.

This early period witnessed an economic development ideology of industrialization as the ultimate source of economic growth, and industrialization itself as the product of technical progress and investment. Technical progress or capital growth on the other hand is seen to be a function of, and the result of, entrepreneurial effort. In particular, evidence from the developed world indicates that economic growth is entirely due to the quality and efficiency of the entrepreneur. Thus after independence in 1960 there was the need by the government of Nigeria to promote indigenous entrepreneurs. The Government never loses sight of the tripartite relationship between entrepreneurship, industrialization and economic growth. Entrepreneurship is often carried out by micro and small scale businesses and therefore SMEDAN's focus is on the development of micro, small and medium-scale enterprises (MSMEs) where it co-ordinates and integrates MSME activities in order to develop their full potential and competitiveness (Thaddeus, 2012).

In the past forty years or so, the government had established various support institutions specially structured to provide succor and to assist SMEs to contend with some of the hurdles

along their growth path. Some of these specialized institutions include the Nigerian Industrial Development Bank (NIDB), the Nigerian Bank for Commerce and Industry (NBCI), the National Economic Reconstruction Fund (NERFUND), the Nigerian Export-Import Bank (NEXIM), the National Directorate of Employment (NDE), Industrial Development Coordinating Centre (IDCC), Peoples Bank, Community Banks, Construction Bank, Family Economic Advancement Programme (FEAP), State Ministries of Industry SME schemes, the Nigerian Agricultural and Cooperative Development Bank (NACDB), BOI [bank Of industry] etc. These support institutions and other incentives created by the government notwithstanding, policy instability and reversals in addition to high turnover and frequent changes in government have impacted negatively on the performance of the primary institutions responsible for policy formulation, monitoring and implementation resulting in distortions in the macro-economic structure, low productivity and dismal performance of SMEs (Nwachukwu, 2012).

Other major problems which have contributed to the poor performance of SMEs include: limited access to long-term capital, high cost of even short-term financing, poor partnership spirit, dearth of requisite managerial skills and capacity, illegal levies, street urchins' harassments, over-dependence on imported raw materials and spare parts, poor inter and intra-sectoral linkages that make it difficult for the SMEs to enjoy economies of scale production, bureaucratic bottlenecks and inefficiency in the administration of incentives that discourage rather than promote SME growth, weak demand for products arising from low and dwindling consumer purchasing power, incidence of multiplicity of regulatory agencies and taxes that have always resulted in high cost of doing business and poor corporate governance and low entrepreneurial skills arising from inadequate educational and technical background for many SME promoters (Nwachukwu, 2012).

The Relationship between Entrepreneurship and Economic Growth or development

It is widely believed that entrepreneurship is beneficial for economic growth and development. Entrepreneurship has been remarkably resurgent over the past three decades in countries that achieved substantial poverty reduction (Naude, 2013). In the 1980s stag inflation and high unemployment caused a renewed interest in supply side economics and in factors determining growth. Simultaneously, the 1980s and 1990s have seen a reevaluation of the role of small firms and a renewed attention for entrepreneurship. In fact, understanding the role of entrepreneurship in the process of economic growth requires the decomposition of the concept of entrepreneurship (Wennekers & Thurik, 1999). Having considered the concepts of entrepreneurship, economic growth and economic development individually, ascertaining the link between the two concepts would not be unachievable.

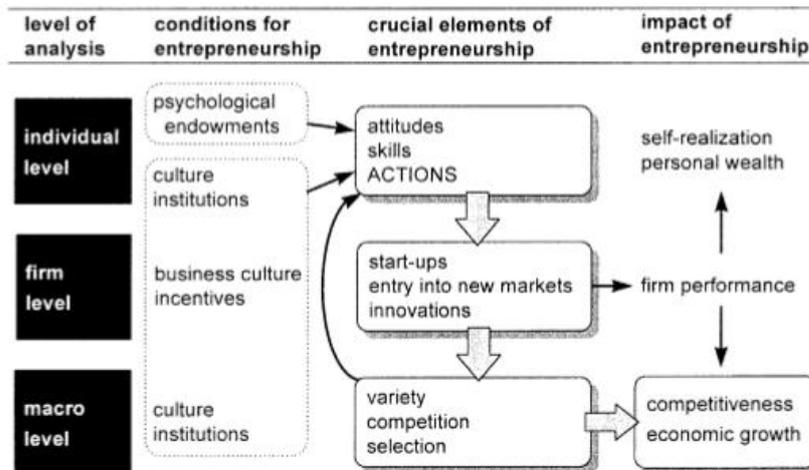
The idea that entrepreneurship and economic growth are very closely and positively linked together has undoubtedly made its way since the early works of Schumpeter. An increase in the number of entrepreneurs leads to an increase in economic growth. This effect is a result of the concrete expression of their skills, and more precisely, their propensity to innovate. Schumpeter has already described this innovative activity, "the carrying out of new combinations", by distinguishing five cases: "(1) The introduction of a new good – that is one with which consumers are not yet familiar – or of a new quality of a good. (2) The introduction of a new method of production, that is one not yet tested by experience in the branch of manufacture concerned, which need by no means be founded upon a discovery scientifically new, and can also exist in a new way of handling a commodity commercially.

(3) The opening of a new market, that is, a market into which the particular branch of manufacture of the country in question has not previously entered, whether or not this market has existed before. (4) The conquest of a new source of supply of raw materials or half-manufactured goods, again irrespective of whether this source already exists or whether it has first to be created. (5) The carrying out of the new organization of any industry, like the creation of a monopoly position (for example through fructification) or the breaking up of a monopoly position” (Schumpeter, 1963). Through his innovative activity, the Schumpeterian entrepreneur seeks to create new profit opportunities. These opportunities can result from productivity increases, in which case, their relationship to economic growth appears quite clearly.

In terms of how entrepreneurship has been a stimulant in economic growth, there exist enormous discussions and debates but it is however eminent to realize the importance of constant innovations and rivalry enhancement (Todtling and Wanzanbock, 2003). There has been a problem in defining and measuring entrepreneurial factors and this has further complicated the exact contributions to economic growth. In addition, Carree and Thurik (2002) explained that the concept of entrepreneurship is multidimensional and largely ill-defined. Understanding the role of entrepreneurship in the process of economic growth will therefore require a framework because of the nature of intermediate variables and connections which exist (Bygrave and Minniti, 2000). The best examples of these intermediate variables include innovation, competition mainly characterized by exit and entry of firms, variety of supply and particular energy and efforts of invested by entrepreneurs. Other conditions of entrepreneurship also add up when it comes to their contributions to economic growth (Robbins et.al, 2000).

In addition, Asc (2006) and Ahiauzu (2010) assert that there is a positive relationship between entrepreneurship and economic growth while Henderson (2007) explained that entrepreneurship is increasingly being recognized as a primary engine of economic growth. By combining existing resources with innovative ideas, entrepreneurs add value through the commercialization of new products, the creation of new jobs, and the building of new firms. The Global Economic Monitor indicates that nations with higher levels of entrepreneurial activity enjoy strong economic growth. In short, entrepreneurs are the link between new ideas and economic growth.

Entrepreneurship is the manifest ability and willingness of individuals, on their own, in teams, within and outside existing organizations, to: – perceive and create new economic opportunities (new products, new production methods, new organizational schemes and new product- market combinations) and to – introduce their ideas in the market, in the face of uncertainty and other obstacles, by making decisions on location, form and the use of resources and institutions. Entrepreneurship is “at the heart of national advantage” (Porter, 1990). It is of eminent importance for carrying out innovations. Concerning the role of entrepreneurship in stimulating economic growth, many links have been discussed. Both the role of the entrepreneur in carrying out innovations and in enhancing rivalry is important for economic growth (Wennekers & Thurik, 1999).

Figure 1: A Framework Linking Entrepreneurship to Economic Growth

Furthermore, Naude (2013) posited that entrepreneurship will, in light of the above, contribute to growth and employment creation in advanced, emerging and least developed economies alike. This is a reasonable expectation – one that is supported by recent findings of historians, economists and management scientists. “With too many entrepreneurs, levels of aspirations in a country may rise - it is well-known that with increasing material wealth (or opportunities) people’s aspirations increase.” Entrepreneurs create jobs – and we know that unemployment is a major and significant cause of unhappiness. We also know that goods that entrepreneurs provide, such as health and experiential activities, raise happiness levels.

METHODOLOGY OF THE STUDY

This study used both descriptive and explanatory, the methodology is Narrative-Textual Case Study (NTCS) method, which is preferred because of the absence of sequential data related to entrepreneurship and sustainable economic growth in Nigeria. NTCS is a social science research method that employs intensively, the information, data and academic materials made available and easily accessible by information and communication technology facilities such as intranet, internet, World Wide Web, online databases, e-libraries et cetera .The choice of this method is informed by the fact that NTCS combines the use of quantitative and qualitative observation, text content analysis and available official statistics in different proportions for problem-solving or problem-identification depending on the objectives of the research.

This research study is basically non-empirical, but rather descriptive, since information is collected without changing the environment. We used appropriate statistical technique, consisting of simple percentages in the analysis for the role of entrepreneurship on economic growth and development in Nigeria. Charts were also used to present the data for more meaningful understanding.

The Nigerian Economy and Entrepreneurship Development

The Nigerian economy has been described as a middle-income mixed economy; as an emerging market, with expanding financial, service, communications, and technology and entertainment sectors. With a rebased GDP, it is ranked 26th in the world, the largest in

Africa, and on track to become one of the 20 largest economies in the world by 2020. The Nigerian economy has been growing at an average rate of around 7% a year over the past decade. The economy is rich in resources, especially oil, its energetic entrepreneurs and aspirations to be the tech hub of Africa, boasting start-ups such as Konga and Jumia budding Nigerian Alibabas (Leaders, 2014). Poverty and unemployment still remains key challenges in the economy.

Entrepreneurship is an important factor in the development of any nation. Entrepreneurs are responsible for taking calculated risk those open doors to progressively higher levels of economic growth. They are the veritable backbone on which the world and modern ideas continue to develop. The return of democracy in 1999 ushered in a period of economic reforms and a renewed focus on enterprise development as the only viable means to sustainable growth. Nigerian leaders initiated a massive programme of disinvestment and financial deregulation aimed at boosting business development across the Micro, Small and Medium Enterprises (MSMEs) space. Progress has been hampered by institutional deficiencies and widespread bureaucratic and political corruption (Osalor, 2010).

The Analysis of the Performance of Nigerian Economy

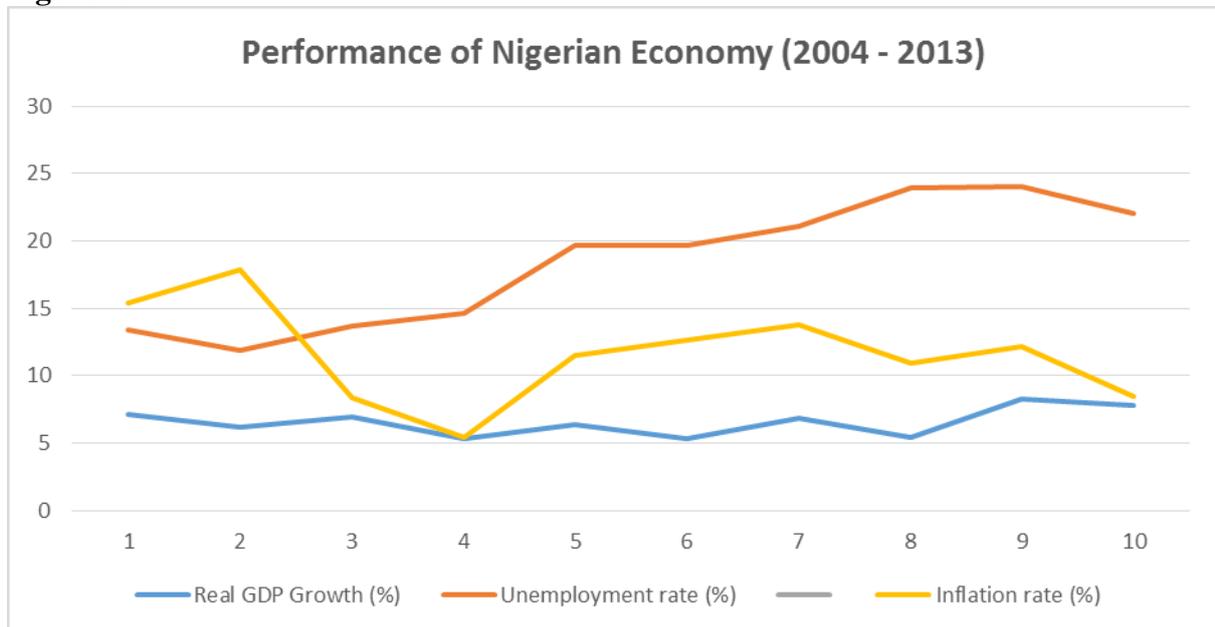
Nigeria rebased its GDP from 1990 to 2010, resulting in an 89% increase in the estimated size of the economy. As a result, the country now boasts of having the largest economy in Africa with an estimated nominal GDP of USD 510 billion, surpassing South Africa's USD 352 billion. The exercise also reveals a more diversified economy than previously thought. Nigeria has maintained its impressive growth over the past decade with a record estimated 7.4% growth of real gross domestic product (GDP) in 2013, up from 6.5% in 2012. This growth rate is higher than the West African sub-regional level and far higher than the sub-Saharan Africa level. The performance of the economy continues to be underpinned by favorable improvements in the non-oil sector with real GDP growth of 5.4%, 8.3% and 7.8% in 2011, 2012 and 2013, respectively. Agriculture – particularly crop production – trade and services continue to be the main drivers of non-oil sector growth. The oil sector growth performance was not as impressive with 3.4%, -2.3% and 5.3% estimated growth rates in 2011, 2012 and 2013, correspondingly. Growth of the oil sector was hampered throughout 2013 by supply disruptions arising from oil theft and pipeline vandalism, and by weak investment in upstream activities with no new oil finds. The key indices required to adequately assess an economy include the real GDP growth rate, unemployment, and inflation rate.

Table 2: Performance of Nigerian Economy (2004 – 2013)

Indices	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Real GDP Growth (%)	7.1	6.2	6.9	5.3	6.4	5.3	6.8	5.4	8.3	7.8
Unemployment rate (%)	13.4	11.9	13.7	14.6	14.9	19.7	21.1	23.9	24	22
Inflation rate (%)	15.4	17.9	8.4	5.4	11.5	12.6	13.8	10.9	12.2	8.5

Sources: National Bureau of Statistics

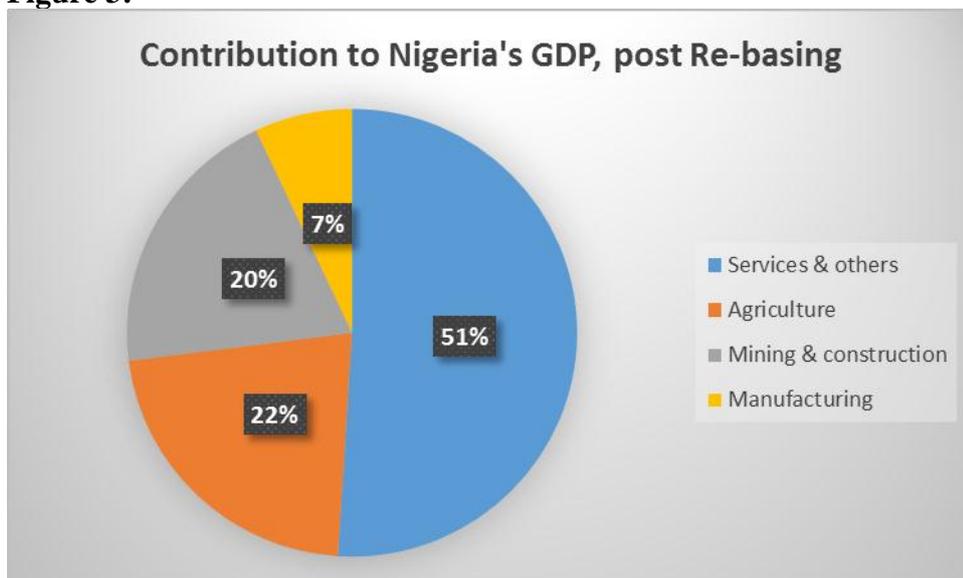
Figure 2:



Sources: National Bureau of Statistics

Over the last few years, the growth in domestic output has been driven mainly by the non-oil sector. As at 2012, the industrial sector was the highest contributor to GDP with 41%. However, the post-rebasing numbers indicate that the Services sector ranked as the leading contributor to GDP with a contribution of 51% in 2012 followed by agriculture (22%), mining and construction (20%) and manufacturing (7%).

Figure 3:



Sources: National Bureau of Statistics

The Trend of Entrepreneurship Development in Nigeria: Government Interventions

Nigeria as a country has numerous business and investment potentials due to the abundant, vibrant and dynamic human and natural resources it possesses. Tapping these resources

require the ability to identify potentially useful and economically viable fields of endeavors. Nigerians have made their marks in diverse fields such as science, technology, academics, business and entertainment (Nkechi et.al, 2012).

Thus, entrepreneurship activities and innovative ingenuity in Nigeria have developed enterprises in the following areas: agricultural/agro-allied activities where there are foodstuffs, restaurants, and fast food vending, etc. In the area of solid minerals, there are quarrying, germ stone cutting, polishing and crushing engineering. In power and transport, there are power generations, haulage business (cargo and passengers). In the area of information and telecom business, there are manufacturing and repairs of GSM accessories and the printing and selling of recharge cards. In hospitality and tourism business, there are hotels, accommodation, resort centers, film and home video production; in oil and gas business, there are construction and maintenance of pipelines, drilling, refining by-products. In the area of environmental and waste management business, there is refuse collection/disposal, recycling and drainage/sewage construction jobs. In the area of financial banking services, there is banking, insurance and stock trading. In engineering and fabrication work, there are machines and tools fabrications. There is also the building and construction, where there are plan and design services and material sourcing (Agbeze, 2012). In spite of the fact that entrepreneurship development has been regarded as the bulwark for employment generation and technological development in Nigeria, the sector nevertheless has had its own fair share of neglect with concomitant unpleasant impacts on the economy. Against this backdrop, entrepreneurship when and if gallantly developed in Nigeria will take its pride of place in quelling unemployment and thus generating employment among Nigerian youths especially the graduates and once again, place the economy on a proper footing (Nkechi et.al, 2012).

Moreover, Ogundele and Abiola (2006), revealed that the wide-spread level of unemployment in the country could have been minimized if Nigerians of varying age groups and backgrounds were exposed to entrepreneurial education, training and development across levels. The quest for producing great and dynamic economy, in the 21st century, if Nigeria is not to be left behind the rest of the world in the march towards propensity demands that all hands must be utilized to produce entrepreneurial education, training and development for the general populace. In addition, Tende (2014) asserted that government policies and programs promote entrepreneurship and investment in new ventures. However, he found out that Nigeria's government credit policies and programs have no significant effect on the development of entrepreneurs in the country.

The economic benefits of youth participation in the development process are varied and have a multiplier effects on the national economy. Since youths constitute about 70% of Nigeria's population, the nation cannot achieve development when there are mostly idle and unproductive. This is basis for their productive engagement in entrepreneurship (Lemo, 2013). Furthermore, over the last decade or so, various efforts had been initiated by the government and other stakeholders to provide employment for the youths in Nigeria. These include the programmes on Universal Basic Education, Poverty Eradication, Agricultural Development, Economic Empowerment and Development, Commodity Marketing and Development, as well as Presidential Initiatives, such as the YouWin Programme.

Beside this, the National Directorate of Employment (NDE) grooms unemployed youths and retired persons in vocational skills, entrepreneurship/business development, labor-based

works, rural employment promotion and job placement guidance and counseling. The Federal Government earmarked on N100 Billion Textile Revival Fund for the Cotton, Textile and Garment Industries, which used to be among the largest employers of labour in the country.

The Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) was established to promote the development of the MSMEs sector of the Nigeria economy. Tremendous outcomes have been recorded from its various programmes, including the Entrepreneurship Development Programme.

The Public Works and Women/Youth Empowerment Scheme (PW/WYE) was launched by the Federal Government to create immediate employment opportunities for women and youths in labour-intensive public works. To be implemented in partnership with the state & local governments and the private sector, the scheme is expected to generate 50,000 skilled jobs and 320,000 unskilled job opportunities. It is a component of the Subsidy Re-investment and Empowerment Programme (SURE-P).

The Youth Enterprise with Innovation in Nigeria (You WIN) programme is a collaboration of the Federal Ministries of Finance, Communication Technology and Youth Development to organize an annual Business Plan Competition (BPC) for aspiring young entrepreneurs in Nigeria. The programme will provide a one-time Equity Grant of 1 million—N10 million to 1,200 selected aspiring entrepreneurs to start/expand their business concepts and mitigate start up risks; and to further generate some 80,000--110,000 new jobs for unemployed Nigerian youths over a three-year period.

In addition, the Niger Delta Amnesty Training Programme has been engaged in the training of youths at various institutes in Ghana, South Africa, the Philippines, Russia, Ukraine, India and elsewhere. Also, more than 5,000 youths have been enrolled in formal educational institutions and vocational centers within and outside the country. To date, over 5,000 beneficiaries have graduated in such skill fields as welding & fabrication, entrepreneurship, pipe-fitting, carpentry & plumbing, oil drilling, electrical installation, ICT, and marine-related vocations.

The Petroleum Technology Development Fund (PTDF) was established to promote and upgrade petroleum technology and manpower development through research and training of Nigerians as graduates, professionals, technicians and craftsmen in the fields of engineering, geology, geo-sciences, management, economics and relevant fields in the petroleum and solid minerals sectors, here and abroad.

There are various Micro-Finance Schemes providing financial services to the poor who are traditionally not served by conventional financial institutions. Currently, there are 873 Micro-Finance banks (MFBs) in Nigeria, employing more than 12,000 Nigerians. Their combined portfolios include 905,099 and 8,241,706 borrowers and depositors respectively.

The NYSC Venture Price Competition was introduced by the CBN to sensitize and create awareness in Nigerian youths, awaken their entrepreneurship expertise, and orientate serving youth corps members towards seeking alternative employment options, in particular, self-employment.

The N200 billion Commercial Agriculture Credit Scheme (CACS) finances large ticket projects along the agricultural value chain, in addition to the older Agricultural Credit Guarantee Scheme (ACGS). To date, the CACS has disbursed N158.39 billion for 203 projects owned by 175 private promoters and 27 State Governments and the Federal Capital Territory (FCT), with 5,910 jobs created. The Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL) is a partnership of the Central Bank of Nigeria (CBN), UNIDO and Alliance for a Green Revolution in Africa. It was developed to boost access to bank financing for agriculture by de-risking the agricultural and financial value chains through the adoption of risk-sharing approaches.

The N200 Billion Refinancing/Restructuring of SME/Manufacturing Fund is to enable banks refinance and restructure their existing loan portfolios to SMEs and manufacturing firms. So far, the scheme has improved staff strengths, capacity utilization and turn-over of 499 benefiting companies. The Power & Aviation Intervention Fund (PAIF) has disbursed some N144.60 billion to Deposit Money Banks (DMBs) for 10 power and 11 aviation projects as well as generated numerous jobs. The N200 billion Small & Medium Scale Enterprises Guarantee Scheme (SMECGS) of the CBN promotes further SME access to credit. In barely two years, the scheme has disbursed over N1 billion to 20 qualified applicants, with the attendant boosts in their businesses and employment generation.

The Entrepreneurship Development Centres (EDCs) were set up in the six geo-political zones (South-West, South-South, South-East, North-West, North-Central and North-East) to bridge gaps in various elements of youth entrepreneurship development. To date, over 102,000 youths have benefited from the initiative. Since government cannot solely create for all youths and others, there are imperatives for private sector-driven entrepreneurial development. These include reduction in crime and social vices, improving economic conditions for business viability, guaranteed future for the country and improved self-worth of Nigerian Youths.

The Prospects and Challenges of Entrepreneurship in Nigeria

To tackle the problems of Nigeria's economic development, concerted effort be made to fashion out a truly Nigerian economics ideology, and that the Nigerian Government should improve the entrepreneurial framework conditions to galvanize Nigeria's total entrepreneurial activities towards improved national economic growth and development.

Small and medium-scale enterprises (SMES) especially entrepreneurial activities have played important roles in the development process in most of the developed economies, and proved to be one of the most viable sectors with economics growth potentials. SMES have such a crucial role to play in the development of an economy that they cannot be ignored by the government. Ehis and Frank (2013) argues that government must develop policies to remove the problems of entrepreneurship and Nigeria's economic development and enhance the growth of the economy. Since Nigeria's political independence in 1960, the country has been working tirelessly to achieve economic independence. Several policies aimed at capacity building and utilization has been introduced by both civilian and military regimes in the country.

Another focus in the liberation programme is the ongoing massive privatization campaign of public institution, which is again aimed at attracting foreign investment with the hope that

this would help increase economic activity and bring in much-needed revenue to accelerate economic growth.

It cannot be overemphasized that entrepreneurship development is the appropriate programme to solve the problems of economic development. Jobs have to be created by and for the people. Entrepreneurship is a valuable factor of production and should be seen distinctly and as valuable as any of the basic factors of production (land, labor and capital). Increasing the supply of entrepreneurs implies increasing the products they produce-entrepise. By innovative processes and/ or products, entrepreneurs create jobs for themselves and others. Entrepreneurship development programme already started in Nigeria late 1980s. When well-funded by the government, some of the Entrepreneurship development programmes (EDPs) have had some measures of success. However, many problems militate against the development of small-scale industries/enterprises sector. This is discussed as problems of skilled manpower and technical know-how, finance and capital, marketing, administrative policies and support, corporate entrepreneurship enabling environment and women and entrepreneurship (Ehis and Frank, 2013).

Furthermore, the best approach to entrepreneurial nationhood for Nigeria is through entrepreneurship education that cuts across the entire spectrum of the education system from primary school to university as well as in the informal system. Actualizing this will imply a definitive national philosophy of education that emphasizes self-reliance with entrepreneurship at the core (Ubong, 2013).

DISCUSSION ON FINDINGS FOR THE STUDY

Below are the summary of the findings based on the interview conducted during the study. The respondents revealed the following

- a) **What is the Contribution of Entrepreneurship to Nigeria's Economic Development?**
 - i. Entrepreneurship has contributed significantly to Nigeria's economy development, because it has created more employment for job seekers;
 - ii. The unfavorable economic condition has not allowed entrepreneurship development to promote Nigeria's economic development.
 - iii. Corruption and nepotism has made government efforts to promote entrepreneurship to below expectation; hence no significant contribution has been made.
 - iv. The large-scale unemployment that bedevils the economy shows that no significant improvement has been made in the area of entrepreneurship development.
 - v. The contribution of entrepreneurship to Nigeria's economic development is marginal due to the lack of access to capital.
- b) **As Entrepreneurs Power the Economy of Nigeria**

Over 60% of the respondents believe that there are no enough entrepreneurs that can power the economy. This implies that although there are numerous micro, small and medium scale enterprises across the nation, their size and capacities are largely negligible compared to the Nigerian economy as whole.
- c) **Prevailing Nigeria Business Environment and Government Policies are the Survival and Growth of Entrepreneurship**
 - i. Current government programmes, such as the SURE P project has supported the survival and growth of entrepreneurship in Nigeria.

- ii. The epileptic nature of power has hampered the growth and survival of several micro, small and medium scale entrepreneurs in the country.
- iii. Policy inconsistencies and political instability adversely affects the growth and survival of the small businesses in the country.
- iv. Insecurity and spate of conflicts among Nigerian societies and communities has greatly hampered small businesses and discourage potential entrepreneurs.
- v. The inability of government agencies and microfinance institution to provide adequate capital to assist Nigerian entrepreneurs and power the real sector of the economy.

d) As the Entrepreneurship bring Wealth Creation and Employment Opportunities

- i) Entrepreneurship has fostered wealth creation and created employment in Nigeria extensively.
- ii) It is true that entrepreneurship is a veritable tool for wealth creation and creation of employment opportunities.
- iii) It will require a transformation and a revolution for entrepreneurship development to significant promote wealth creation and solve Nigeria's unemployment problem.

CONCLUSION

It can be seen that entrepreneurship entails identifying, utilizing and maximizing profitable business opportunities in a sustainable manner that can foster the economic growth and development of a community or nation. Business entrepreneurship usually results in flourishing micro, small and medium enterprises (MSMEs) which generates gainful employment, creates wealth and consequently grows the economy. Nevertheless, government policies and the prevailing business environment, particularly the uncontrollable factors can impede the significant impact of entrepreneurship on economic growth/development. This can be seen in the Nigerian economy situation in the past decade.

Although Nigeria has been experiencing a reasonably consistent economic growth, the rates of unemployment and inflation have been far greater. This means economic development has not actually been achieved as it were. Because of the lack of data to measure the level of entrepreneurship development in Nigeria, an empirical is often impossible. However, a critical narrative textual case study, such as one done in this research work can provide a degree of confidence to make a conclusion. The framework and policy for entrepreneurship with consistency is fundamental and enabling infrastructural developments are perquisites for any impactful entrepreneurship development. Until sufficient jobs are created and wealth created, entrepreneurship has a long way to go in Nigeria.

In summary, we found that;

- 1) Entrepreneurship plays a crucial role in the economic growth and development of any nation. In order words, there is a veritable link between entrepreneurship development and economic development.
- 2) Economic growth is a necessary factor to foster economic development of any nation; just as Nigeria's economy has continued to grow over the last decade- with the real GDP growth rate hovering around 7%. However, economic development, which has to been in improved living standards of the populace, has remained a great challenge in the country.
- 3) Nigeria business environment and prevailing government policies and programmes are quite unstable and turbulent to allow for any significant impact on entrepreneurship development.

- 4) Entrepreneurship can foster economic growth and development primarily by generating employment and foster the growth of micro, small and medium enterprises in Nigeria.
- 5) A fundamental requirement to enhance the prospects of entrepreneurship development in Nigeria would be reviewing the National Policy on Education as well creating a clear National Policy on Entrepreneurship to re-orientate Nigerians.
- 6) Wealth creation and poverty reduction are key benefits when entrepreneurship is taken seriously by the Nigerian government since unemployment will gradually be curbed.

RECOMMENDATIONS

We recommend that policy makers should recognize the essence of entrepreneurship to economic development. Entrepreneurship deserves equal emphasis as is being placed on science and technology; it is the entrepreneur that translates the innovation in science and technology into wealth. Thus, entrepreneurship should be recognized as an important factor of production just as land (raw materials), labor and capital (liquid and physical), since it is only the entrepreneur that can combine all the other factors to produce wealth. Therefore, as the nation exerts efforts to exploit our natural resources, educate the citizenry and provide human & physical capital, sufficient emphasis should be made to promote entrepreneurship in order to create enterprises, wealth and employment and thus promote positive economic development.

However, it is important to first of all provide way for proper policy coordination and policy stability. There have been several government interventions and programmes aimed at promoting entrepreneurship and fostering micro, small and medium enterprises and yet no significantly impacted on Nigeria's economic development.

A pragmatic and strategic plan on gainfully engaging Nigerian youths is another indispensable solution. The primary focus of this piece is the youth who are correctly regarded as the future of every nation. Several governments are handling entrepreneurship education given its crucial nature. Some governments are rethinking the way the young are educated by infusing creative thinking and innovation in their nation's educational curriculum. In the same vein, they are putting much emphasis on the need to train future entrepreneurs through infusing entrepreneurship components within the educational option, especially at the tertiary level. Some countries have taken this initiative to a higher level by introducing entrepreneurship education at elementary school and encouraging them to be future entrepreneurs when they are of age.

A more sustainable approach to poverty reduction if not elimination is through encouraging youths, particularly those with identified entrepreneurial skills to go into private business particularly in science and technology because these have natural potentials for business development. As a result, there is need for reforms in the educational curriculum to prepare students for self-reliance.

Fixing Nigeria's basic infrastructure can do the magic in reviving entrepreneurship development in Nigeria and promoting the micro, small and medium enterprises sector to facilitate economic growth and development. If the government of the day will face square the daunting problem of epileptic power supply, entrepreneurs would survive and their

businesses sustained. The resultant effect on the economy would be immense because jobs will abound and wealth created in abundance

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