

Agripreneurship Development Strategy for Economic Recovery and Sustainable Development in Nigeria

Dr. Chibike Onyije Nwuba

Marketing Department, Federal Polytechnic Oko, Anambra State, Nigeria

ABSTRACT

Over dependence on crude oil for foreign exchange have led to the steady dwindle in the Agricultural sector performance which was Nigeria's main stay prior to the oil boom in the 70s. Currently, Nigeria's economy has continued to scuffle to retain its title 'Africa's largest economy' with the recent fluctuations in oil prices which have affected the economy negatively which is evident in the low standard of living, and the heightened increase in the cost of goods and services. There is an agreement among scholars that the Nigerian economy should be diversified through agriculture and that Agripreneurship could revamp the current economic situation of the nation. Therefore, increased Agricultural sector performance could lead to economic recovery and sustainable development. Despite the fact that a lot of sensitization programmes, workshops, seminars and presentations have been organized by private and government agencies and organizations also, policies and support Systems were created by the government both in the state and Federal levels so as to enhance the Agricultural sector, yet results from recent studies still indicate that the Agricultural sector performance in Nigeria is low. This indicates that perhaps Agripreneurship has not really been embraced and there are seemingly the existence of some bottlenecks or barriers which inhibit the increase in the Agricultural sector performance of the country, Agriculture is still practiced in subsistence level. Accordingly, the thrust of this study is to explore agripreneurship development as a strategy for economic recovery and sustainable development.

KEYWORDS: *Exporting, Foreign Exchange, Agriculture, Agripreneurship*

1. INTRODUCTION

A boost in the Agricultural sector performance through improved productivity is one of the major ways of reducing poverty in developing countries (Nebo G.N et al, 2017). Enhancement in agricultural productivity and performance have been indicated to be associated with poverty reduction. Thirstle et al (2013), suggests that improved agricultural sector performance is associated with reduced incidences of poverty. Consequently, studies conducted by Food and Agricultural Statistics (2004) revealed that poverty reduction occurs mostly in areas where significant productivity increases in the agricultural sector performance have occurred (like the case of south Korea).

The Agricultural sector so many economies has been described as the engine of economic development

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(Food and Agricultural Statistics, 2004). History consistently reveals that no country has ever successfully industrialized without first achieving significant enhancement in agricultural sector performance (Nebo G.N et al, 2017).

Nevertheless, in the Nigerian economy the Agricultural sector has not been performing as expected judging from the continuous decline in its contribution to the nation's GDP and foreign exchange earnings. Prior to the discovery of crude oil in the 70s, the sector provided foreign exchange, income, fuel, employment, food and raw materials for industries. Nonetheless, with the emergence of petroleum which led to the neglect in Agriculture in early 1970s this resulted to the continuous decline in the percentage contribution of agriculture in the

nation's economic growth. The current economic situation in the country have been attributed to poor performance of the agricultural sector and over dependence on crude oil as the major source of foreign exchange earnings (Ojo, 2001). The realization of this fact have led the government of Nigeria to strongly advocate for the boost of the agricultural sector performance and diversification of the economy from crude oil to non-oil products exportation. Series of attempts have been made by past and present government to enhance agriculture but the sector has continued to perform poorly. Researchers have also made various contributions on how to improve agricultural sector performance. Ahungwa et al. (2014) suggested that there must be a shift from agriculture to agripreneurship as a pathway to revitalize Nigerian Agricultural sector and to make it a sustainable means of economic development. Agripreneurship is a new concept in global agriculture, geared towards transforming agriculture from its largely subsistence level to becoming a competitive enterprise (Nwankwo E. C et al, 2021). The concept of agripreneurship in the fields of entrepreneurship and agriculture is virtually new. Accordingly, there is a paucity of literature on agripreneurship and agripreneurship development. This research therefore bridges the literature gap. It builds on the few existing literature on agripreneurship. Moreover, as regards the current economic recession that Nigeria is witnessing, previous research proffered different solutions, ranging from structural to economic reforms. This study nonetheless tried to specifically recommend agripreneurship development as a strategic tool for economic growth and development of the economy. Therefore, the thrust of this paper is to explore agripreneurship development as a strategic tool for economic recovery and sustainable development in Nigeria.

2. Literature Review

2.1. Definition of Agripreneurship

Sudharani (2002) sees agripreneurship as “generally sustainable, community oriented, directly marketed agriculture. Sustainable agriculture denotes a holistic, systems-oriented approach to farming that focuses on the interrelationships of social, economic and environmental process.” Gray (2002) on the other hand defines an entrepreneur as an individual who manages a business with the intention of expanding the business and with the leadership and managerial skills necessary for achieving those goals. In the face of growing unemployment and poverty in the nation and poor growth of agricultural sector performance there is need of entrepreneurship in agriculture for more productivity and profitability of agricultural

sector. The Agripreneurship programme is imperative for the development of entrepreneurs and management workforce to cater agricultural Industry across the world (Kular & Brar, 2011).

Agripreneurship has its foundation from the fields of agriculture and entrepreneurship (Nwibo et al., 2016). Thus, it is coined from two different words: agriculture and entrepreneurship. Agriculture is derived from two Latin words “Ager” and “Cultura.” Ager means “land“ and “Cultura” means “Cultivation”. Put the two words together, agriculture means land cultivation i.e. tilling the soil and preparing it for planting of crops (Uturu, 2002). Entrepreneurship, on the other hand, consists of initiative taking, organization of resources and acceptance of risks in exploring and exploiting business opportunities (Kuratko, 2009). Thus, agripreneurship can be defined as the ability and willingness of a person to recognize viable agricultural business opportunity, gather resources, establish and manage the resulting agribusiness successfully. Agripreneurship development therefore is defined as the process whereby people are taught agripreneurial knowledge, skills and competencies that are required to start and manage an agribusiness successfully. Agripreneurship development, in the context of this paper, is also called agripreneurship education. Basically, the major objective of agripreneurship development is to create agripreneurs for improved agricultural sector performance (Uneze, 2012). It helps to instill agripreneurship tradition in to people and to motivate them to embrace agribusiness as a career. Consequently, it influences people’s intentions and attitudes toward choosing agribusiness as a career, by making agriculture attractive. Agripreneurship development equips people with the agripreneurial skills, competencies and the insight that they need to identify and utilize profitable business opportunities in agriculture.

2.2. Importance and Objectives of Agripreneurship

Agripreneurship plays a vital role not only in stimulating production and consumption, but in accelerating the pace of economic growth and development. The agripreneurship system plays a dual role in economic development in nations whose resources are primarily agricultural. Increasing demands for money with which to procure other goods leads to increasing sensitivity to relative prices on the part of the producers, and specialization in the cultivation of those crops on which the returns are the greatest, subject to socio-cultural, economic and ecological constraints. It is the marketing system that conveys the crucial price signals. Agripreneurship

increases the gross Domestic Product(GDP) of a economies thereby enhancing their standard of living.

2.2.1. The objectives of an efficient Agripreneurship system are:

1. To enable primary producers to obtain the best possible returns,
2. To provide facilities for enhancing all produce, the farmers are willing, to sell at a good price,
3. To reduce the price difference between the primary producer and ultimate consumer.
4. To make available all products of farm origin to consumers at reasonable price without affecting the quality of the produce.

2.3. Customer Satisfaction:-

For most agricultural products, customer satisfaction has a strong positive effect on critical success factors such as customer loyalty (Serenko, 2006). Customer satisfaction is the level to which a firm fulfills a customer's needs, desires and expectations better than competitors Perreault et al (2009). In the global market, every producer competes with each other for the same customer such that a single bad contact experience can have an exponential ripple effect (Jobber, 2004). A well organised complaints handling process can have an influence on customer satisfaction. Customers who complain and are well attended to can be more satisfied and less likely to switch than customers who had no reason for complaints at all (Nyer, 2000).

Thus, agripreneurship cannot, nonetheless be planned and executed in isolation of the development, dynamism and improvement occurring in the business world. The growth of the agricultural sector performance is vital and indispensable so as to meet the challenges of the modern world. The concept of agripreneurship development will lead to effective and efficient distribution of product and livestock to the consumers at the right place, at the right price and time.

2.4. Constraints of Agripreneurship Development in Nigeria

A lot of barriers militate against successful agripreneurship development. Some of the constraints are as follows:

Insufficient funds militate against agripreneurship development. On the part of the government, this could mean insufficient funds to establish agripreneurship development centers and or to organize agripreneurship development programmes (ADPs) for the purpose of training and developing both current and potential agripreneurs. Consequently, on the part of the trained agripreneurs, it could mean insufficient capital to start an agribusiness of their choice.

People's attitude toward agriculture and agribusiness is also a challenge. So many individuals, especially the youths, do not like to choose agribusiness as a career. Many graduates have abandoned agriculture for white collar jobs. Some people erroneously think that agriculture is meant for the people in the rural areas.

Poor agricultural infrastructure work against successful agripreneurship development. The agricultural infrastructure referred to are: agricultural machinery, storage facilities, improved seeds and agrochemicals, irrigation facilities, energy, transportation and marketing infrastructure. Lack of agricultural-related policies and laws can obstruct agripreneurship development. Many countries do not have agricultural-related policies and laws that encourage people to go into agriculture and agribusiness.

Paucity of agricultural specialists with the modern agripreneurial knowledge and competencies militate against agripreneurship development. Let it be reiterated that agriculture has developed tremendously lately. Therefore, people who are already into agriculture or those who would like to venture into it in the future need to be equipped with the knowledge on the modern farming techniques and practices. Where people are willing to be trained, the unavailability or shortage of professionals with modern agripreneurial expertise affect their training negatively.

3. Conclusion

The level of unfavorable growth of macroeconomic variables such as decline in gross Domestic product, skyrocketing inflation, high interest rate and high unemployment rate indicate that the economy is in the state of recession.

As mentioned at the introductory section, Nigeria's economy delved into full recession when the GDP revealed negative growth continuously in the first and second quarters of 2016 till date. Although the Nigerian Government has come up with different economic policies and structural reforms to reverse this trend, policymakers, economic analysts and renowned scholars have advocated for diversification of the economy (Otache I, 2017). Consequently, individuals and institutions have suggested agricultural transformation as one of the ways Nigeria can recover from recession. Aforementioned, agriculture has undergone a lot of developments in the recent times. Unfortunately, Nigeria's agricultural sector, which is supposed to be one of the major contributors to her gross domestic product, have suffered outright neglect in the past by successive Nigerian Governments. Furthermore, the Nigerian

youths, especially graduates, have abandoned agriculture for white collar jobs whose demands far outweigh its supplies, thereby resulting in mass unemployment.

It is no longer news that Nigeria's economy is in the state of recession. It should be stressed at this juncture that recovering from an economic recession does not happen by mere wishes. The Nigerian Government and Nigerians must take practical steps to reverse this trend. In this regard, while agriculture is regarded as the vehicle that a country can use to move out of economic recession, agripreneurship development is the engine that actually propels the wheel of steering the economy out of recession (Otache I, 2017). Thus, considering the benefits of agripreneurship development already discussed, this paper stresses the need for agripreneurship development as a strategy for economic recovery and sustainable development in Nigeria. It should be stressed that Nigeria has a vast area of agricultural land (about 48 million hectares) that is uncultivated. This means that there are great opportunities such as export earnings and employment opportunities that abound in the agricultural sector that could be utilized for economic growth and development.

3.1. Recommendations

1. The government should provide funding to agripreneurs beyond what the commercial and microfinance banks can provide. To do this, the government could budget certain amount of money to be offered to agripreneurs in the form of short-term loans at a zero or reduced interest rate through selected banks or agencies. In the same vein, the government through the Central Bank of Nigeria, can instruct all commercial banks to reserve certain amount of money to be given specifically to small-scale agripreneurs at a reduced interest rate and with less difficult conditions.
2. The government should subsidize agricultural inputs such as tractors, improved seeds, feeds and agrochemicals for the agripreneurs. Recently, farming has become capital intensive. Agripreneurs need huge amount of funds to be able to start a particular agribusiness. The government can help agripreneurs by subsidizing certain agricultural inputs with a view to improving agricultural productivity.
3. Though the government may not be directly involved in agriculture, it is its responsibility to provide a suitable environment for agriculture to flourish. Thus, the government in its budget appropriation should allocate sufficient funds to the agricultural sector. This will enable it to

provide the necessary infrastructure such as good road network, adequate power supply and adequate storage facilities to assist agripreneurs.

4. There is a widespread apathy among Nigerians toward agriculture. The Nigerian Government should initiate and execute sensitization programmes that will aid in changing people's attitude toward agriculture. Nigerians, particularly the youths should be made to see agriculture as a reliable and noble source of livelihood.
5. Agripreneurship development should be a major part of the nation's School curriculum. This will help in inculcating the importance of entrepreneurship in Agriculture and its benefits to them (the students) as well as the country at large.
6. The Nigerian Government, especially the legislative sector should formulate policies and laws in favour of agripreneurship, this will attract more people to invest in the Agricultural sector. When policies are formulated to favour and facilitate Agricultural investment, it is important that these policies are well implemented the government should set up strategies to ensure that the formulated policies are effectively implemented.

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