

The role of entrepreneur in nigeria

[Science](#), [Agriculture](#)



The term entrepreneur (/ˈɛŋˈtrɛprɪˈnɛər/) is a loanword from French and was first defined by the Irish-French economist Richard Cantillon as the person who pays a certain price for a product to resell it at an uncertain price, thereby making decisions about obtaining and using the resources while consequently admitting the risk of enterprise. The term first appeared in the French Dictionary " Dictionnaire Universel de Commerce" of Jacques des Bruslons published in 1723. Over time, scholars have defined the term in different ways. - 1803: Jean-Baptiste Say: An entrepreneur is an economic agent who unites all means of production- land of one, the labour of another and the capital of yet another and thus produces a product. By selling the product in the market he pays rent of land, wages to labour, interest on capital and what remains is his profit. He shifts economic resources out of an area of lower and into an area of higher productivity and greater yield. - 1934: Schumpeter: Entrepreneurs are innovators who use a process of shattering the status quo of the existing products and services, to set up new products, new services. - 1961: David McClelland: An entrepreneur is a person with a high need for achievement [N-Ach]. He is energetic and a moderate risk taker. - 1964: Peter Drucker: An entrepreneur searches for change, responds to it and exploits opportunities. Innovation is a specific tool of an entrepreneur hence an effective entrepreneur converts a source into a resource. - 1971: Kilby: Emphasizes the role of an imitator entrepreneur who does not innovate but imitates technologies innovated by others. Are very important in developing economies. - 1975: Albert Shapero: Entrepreneurs take initiative, accept risk of failure and have an internal locus of control. - 1975: Howard Stevenson: Entrepreneurship is " the pursuit of

opportunity without regard to resources currently controlled." - 1983: G. Pinchot: Intrapreneur is an entrepreneur within an already established organization. - 1985: W. B. Gartner: Entrepreneur is a person who started a new business where there was none before. AGRICULTURAL PRODUCTION IN NIGERIA; THE OPPORTUNITIES. Any nation that wants to develop must look inwards to identify areas where it has comparative advantage over other nations and seek to develop the identified areas. Apart from hydrocarbon of which Nigeria is the sixth largest exporter of crude oil and has the second largest known deposit of natural gas in the world, Nigeria also has comparative advantage in the Agricultural sector, where varieties of crops and animals are produced and reared respectively due to favorable climatic condition, good soil structure and the fact that over 70% of the entire land mass of the country is arable, though only about 48% are presently been cultivated. The equatorial maritime air mass along the coast influences the climate which is characterized by high humidity and heavy rainfall, while the tropical continental air mass in the North brings dry, dusty winds from the Sahara. The temperature varies considerably with the season, as does rainfall which is far less in the North. The main rains occur between April and October with average rainfall ranging from 2, 497mm (100 inches) in the South to 869mm (32 inches) in the North. Until the late 1970's when hydrocarbon was discovered in commercial quantity in Oloibiri , present day Bayelsa state , Agriculture remained the mainstay of the economy contributing over 90% of the Gross Domestic Product (GDP) of the country as against the 40% it now contributes with crop accounting for 80%, livestock 13%, forestry 3% and fisheries 4%. Despite the prominent role of the

Petroleum sector, Agriculture still employs about 70% of the entire population both formal and informal. The investment climate in the sector before the advent of the present civilian dispensation was considered unattractive, low in profitability and no serious incentives for investors. It was against this background that the government put in place the National Economic Empowerment Development Strategy (NEEDS), supported at the State level by the State Economic Empowerment Development Strategy (SEEDS). It has initiatives in the following areas; cassava, rice, vegetable oil, sugar, livestock and fisheries, tree crops and cereals. The NEEDS was expected to meet the following targets: a) Minimum growth rate of 6% in Agriculture. b) Raise agriculture exports of 3 billion dollars by the end of 2007, with cassava being a major component. c) Reduce food imports from 14.5% of total imports to 5% by 2007. d) Protect all prime agriculture lands for continued agricultural production. Under this strategy and the National Agricultural Policy and the National Policy on Integrated Rural Development, the sector been able to sustain the growth of 7% attained in 2003/04. However due to a combination of factors like unemployment, effects of global economic crisis and the crash witnessed in the stock , property and financial sector in 2008/09 in the Nigerian economy, investors are now switching there investment radar to the various investment opportunity that abounds in the Agricultural sector. Various investment opportunities abound for small, medium and large scale enterprise in sustainable agriculture and industrial farming. These investment opportunities would be analyzed under the following headings - Arable Farming (Crop Production) Over 70% of the entire land mass (98, 300, 000 hectares) of the country is arable. Some of

the crops that are produced in Nigeria include maize, sorghum, millet, cassava, yam, wheat, sugarcane, cocoyam, potatoes, cotton, pineapple, plantain, bananas, beniseed, castor oil etc. Prospective investors interested in the production of bio-fuel can take advantage of the three million (3, 000, 000) hectares of land made available for the production of Jatropha by the federal government.

- Industrial Processing of Agricultural Products

Agricultural products require processing in order to be suitable for human and industrial use and opportunities abound in the sector for savvy investors to take advantage of. Some of the areas where such investment is required includes palm kernel cracking plant, groundnut processing plant, fish feed production etc.

- Agro — Commodity Export According to statistic from the Nigeria Export Promotion Council (NEPC), the non-oil export segment as been growing in the past five (5) years and arguable as been one of the drive force in the renewed interest in agriculture in the country. Some of the products that are export include sesame seed, ginger, charcoal, groundnut, hide and skin, cocoa, gum Arabic, cashew nuts etc.

- Livestock Farming More investment is required in the livestock sector in order to meet up with the consumption of animal protein in Nigeria is to be met. Some of the areas that require investment include cattle farming, pig rearing, goat and sheep rearing.

- Micro-Livestock , Fisheries and Poultry Farming: This is perhaps the single largest segment of the market that has received more investment in the past five (5) years since the renewed interest in Agriculture because they require less capital start-up and there is ready market for the products produced.

- Agricultural Biotechnology : The global demand for alternative energy has opened up the market for bio-fuel which has consequently

created opportunities for entrepreneurs in agricultural business. The production of ethanol fuel from cassava, jatropha plant, sunflower, sugarcane amongst others is some of the areas of investment in this sector. Like it as already been mentioned, the government of Nigeria as made available three (3) million hectares of land for the cultivation and development of jatropha plant. Other investment areas in the sector include Agro-Tourism, Supply of Agricultural inputs and machineries and Agricultural consultancy. A number of incentives have been put together to encourage investment in agriculture. These include; o Finance Credit o Tax Holdings o Reduced Customs Charges on Imported Inputs o Technical Support through Research Institutions o Export Financing and Guarantee o Agricultural Insurance Scheme o Extension Services There are numerous

Challenges/problems facing agriculture in Nigeria some of them are:- -

Government Policies: Government polices does not support farmers, lack of policies to restrict importation of certain product, lack of policies to empower farmers etc - Poor Storage Facilities. - Land Tenure System. - Poor

Infrastructural facilities: Poor and lack of infrastructural facilities like good roads, water, electricity. - Unavailability of Lands. - Lack of Funds and Capital - Lack of Skilled manpower -The use of crude tools and implement -

Inadequate agricultural education and extension services - Problems of pest and diseases - Negative attitude of people towards farming due to its low

reward Opportunities in agriculture as Nigeria moves to diversify economy

The Nigerian government has made a lot of effort to diversify the economy with a specific focus on agriculture. Financial incentives, subsidies for farming equipment and fertiliser, and various research initiatives have been

introduced to boost agricultural production. A number of companies have already successfully invested especially in agri-processing industries. But with over 150-million mouths to feed and the lucrative export opportunities, plenty of room exists for fresh investment. Although Nigeria has processing plants for a variety of raw materials, the shortfall in processing capacity is one of the key structural deficiencies in the agricultural economy.

Consequently, any investment in this sector attracts pioneer status: tax holidays, tariff concessions, financing and export support. Investment opportunities

The agriculture policy is focused on sufficient food production as the country moves to reduce food imports that are putting a strain on foreign-exchange reserves. Government initiatives to boost food production also target the use of surplus food as raw materials for exporting industries.

Priority areas include:-

- All aspects of direct agricultural production, but in particular, rehabilitation of groundnut, cotton, cocoa and oil palm production, fish production and forestry
- Investment in processing of agricultural produce and storage facilities
- Investment in processing of agricultural input supply and distribution
- Agricultural mechanization for instance the adoption and use of farm equipment such as bulldozers and tractors, including the provision of land clearing and land preparation services
- Agricultural support activities including research and funding of research activities
- Water resources development, especially for irrigation and flood control infrastructures along river basins
- Development of earth dams and construction of wash bores and tube wells
- Development and fabrication of appropriate small-scale and mechanised technologies for both on-farm processing and secondary processing of agricultural produce for

consumption or storage. According to Minister of Agriculture, Dr Akinwumi Adesina, says Nigeria has been losing about 10 billion dollars annually in export opportunities in the agriculture sector. " Nigeria is losing about 10 billion dollar export opportunities in agricultural commodities alone. As we do not produce, we must import. " Nigeria imports over N1 trillion worth of rice, wheat, sugar and fish every year. Importation of wheat alone accounts for N635 billion every year. " Adesina lamented that the country's position had over the years, changed from exporter of commodities, to mass importer. " Nigeria lost her glory in the world trade of groundnuts. In 1961, the country produced 42 percent of world's shelled groundnut export. " By 2008, Nigeria has fallen completely out of competition as countries like China, USA and Argentina had taken over. " He said the country also lost out as a world exporter of palm oil, cocoa and cotton in similar circumstances. " In 1961, Nigeria was responsible for 27 percent of world's export in palm oil, but by 2008, the country was producing far bellow expectations. " In 1961, Nigeria was producing 18 percent of world's cocoa but by 2008, the country had lost out to Ghana, Cote d'Ivoire and Indonesia. Adesina stated that the country lost its position in cotton production to countries like Mali and Burkina Faso in similar manner. He said the Federal Government was concerned about this development because the agricultural sector had the potential to transform the economy. " Agriculture transformation across the globe had led to dramatic reduction in poverty and increase in job opportunities in China, Vietnam and Brazil, among other countries. " Nigeria needs to diversify her economy from oil by embracing agriculture. " Adesina said the Federal

Government intended to overhaul the sector to make it viable as part of its vision to place the country among top 20 economies by the year 2020. (NAN)