Women Entrepreneurship as a Cutting Edge for Rural Development in Nigeria

Adaku Bridget Chidi Ezeibe¹*, Godson Onyebuchi Diogu², Justina Uzoamaka Eze³, Getrude-Theresa Uzoamaka Chiaha¹, Edith Nwakaego Nwokenna¹

1. Centre for Entrepreneurship & Development Research, University of Nigeria, Nsukka, Nigeria
2. Department of Fine and Applied Arts, University of Nigeria, Nsukka, Nigeria
3. Department of Education Foundation, University of Nigeria, Nsukka, Nigeria
4. Department of Art Education, University of Nigeria, Nsukka, Nigeria

Abstract

Rural development is more than ever before linked to entrepreneurship. Institutions and individual promoting rural development now see entrepreneurship as a strategic development intervention that could accelerate the rural development process. Furthermore, institutions and individuals seem to agree on the urgent need to promote rural enterprises; development agencies see rural entrepreneurship as an employment potential, politicians see it as the key strategy to prevent rural unrest; farmers see it as an instrument for improving farm earnings; and women see it as an employment possibility near their homes which provides autonomy, independence and a reduced need for social support. To all these groups, however, entrepreneurship stands as a vehicle to improve the quality of communities and to sustain a healthy economy and environment. Without entrepreneurial capabilities which are well developed or potentially available, external funds will be wasted on projects that will not provide long term economic growth. Rural entrepreneurship stimulates local entrepreneurial talent and subsequent growth of indigenous companies; it finds a unique blend of resources either inside or outside of agriculture. Therefore to accelerate economic development in rural areas, it is necessary to increase the supply of entrepreneurs, thus building up the critical mass of first generation entrepreneurs who will take risk and engage in uncertainties of new venture creation, create something from practically nothing and create values by pulling together a unique package of resources to exploit. The paper therefore deals with the following three issues: firstly, it sets out reasons why promoting entrepreneurship is a force of economic change that must take place if many rural communities are to survive, secondly, it deals with what policies are necessary in order to create an environment in rural areas conducive for entrepreneurship and thirdly, it considers developing and promoting of women entrepreneurship as a way for sustainable rural development in Nigeria.

Key words: Entrepreneurship, rural development, economic policies, entrepreneurial skills and women empowerment.

1. Introduction

The achievement of political independence in 1960 brought with it a high sense of expectations from the citizenry for social and economic development. Successive government in the country have adopted various policies strategies ranging from import substitution to Structural Adjustment Programme (SAP) aimed at making the country one of the greatest economies in the world. However, in spite of all these policies and programmes and abundant resources the country is endowed with, majority of Nigerians have continued to wallow in abject poverty, diseases and ignorance.

Rural development was therefore adopted as a new strategy “bottom up” that will make Nigeria one of the greatest economies in the world. Unfortunately, after over three decades of romance with this strategy, the results have not been massive compared with to the resources that have been invested. A number of reasons have been advanced to explain why rural development has failed to make the country develop. The first argument emanates from the fact that majority of Nigerians live in the rural areas. In 1963 census, 80.7 % of the national population was resident in the rural areas. By 1985 this population has gone down to 70.13% and by 1991 census went down to 61% of the population who resides in rural areas must be involved. The second point normally adduces to buttress the point that for the overall economic development, the rural areas must be developed, stems from the fact that great gaps exists in the development levels of both the urban and rural areas. This gap must be closed by developing the rural areas. Thirdly, for rural development that supports security and regeneration of economic, natural, human and social resources, women who make up half of the population must participate. Thus women must be systematically included in the development.

Rural development is more than ever linked to entrepreneurship. Institutions and individuals promoting rural development now see entrepreneurship as a strategic development intervention that could accelerate the rural...
development process. Furthermore, institutions and individuals seem to agree on the urgent need to promote rural enterprises and see entrepreneurship as a vehicle to improve the quality of life for individuals, families and communities and to sustain a healthy economic and environment.

The paper therefore deals with the following issues:

1. It examines Nigeria’s experience on rural development;
2. It set out the reasons why promoting entrepreneurship is a force of economic change;
3. It deals with what policies are necessary in order to create an environment in rural areas conducive to entrepreneurship; and
4. It considers women entrepreneurship as a way for sustainable rural development in Nigeria.

2. Concept of Entrepreneurship

The entrepreneurship concept, what it means and where it comes from, is the foundation for policies promoting entrepreneurship and the key to understanding the role of entrepreneurship in rural development. Defining entrepreneurship is not an easy task. There are several books on the subject (Byrd, 1987). According to Byrd (1987), entrepreneurship means primarily innovation, to Petrin (1991), it means risk-taking, to Tyson et al. (1994), it is a market stabilizing force and to Jones and Sakong (1981), it means starting, owning and managing a small business. Accordingly, the entrepreneur is then viewed as a person who either creates new combinations of production factors such as new methods of production, new products, new markets, find new sources of supply and new organizational forms; or as a person who is willing to take risks; or a person who, by exploiting market opportunities, eliminates disequilibrium between aggregate supply and aggregate demand, or as one who owns and operates a business (Tyson et al., 1994).

To choose the definition of entrepreneurship most appropriate for the rural area context, it is important to bear in mind the entrepreneurial skills that will be needed to improve the quality of life for individuals, families and communities and to sustain a healthy economy and environment. Taking this into consideration, we will find that each of the traditional definitions has its own weakness (Tyson et al., 1994). The first definition leaves little room for innovations that are not on the technological or organizational cutting edge, such as, adaption of older technologies to a developing-country context, or entering into export markets already tapped by other firms. Defining entrepreneurship as a risk-taking neglects other major elements of what we usually think of entrepreneurship, such as a well-developed ability to recognize unexploited market opportunities. Entrepreneurship as a stabilizing force limits entrepreneurship to reading markets disequilibria, while entrepreneurship defined as owing and operating a business, denies the possibility of entrepreneurial behaviour by non-owners, employees and managers who have no equity stake in the business. Therefore, the most appropriate definition of entrepreneurship that would fit into the rural development context, argued here, is the broader one, the one which defines entrepreneurship as: “a force that mobilizes other resources to meet unmet market demand”, “the ability to create and build something from practically nothing”, “the process of creating value by pulling together a unique package of resources to exploit an opportunity”. It combines definitions of entrepreneurship by (Jones and Sakong, 1980; Timmons, 1989; Stevenson, et al., 1985).

Entrepreneurship so defined, pertains to any new organization of productive factors and not exclusively to innovations that are on the technological or organizational cutting edge, it pertains to entrepreneurial activities both within and outside the organization. Entrepreneurship need not involve anything new from a global or even national perspective, but rather the adoption of new forms of business organizations, new technologies and new enterprises producing goods not previously available at a location (Petrin, 1991). This is why entrepreneurship is considered to be a prime mover in development and why nations, regions and communities that actively promote entrepreneurship development, demonstrate much higher growth rates and consequently higher levels of development than nations, regions and communities whose institutions, politics and culture hinder entrepreneurship.

3. Concept of Rural Entrepreneurship

Rural development according to Bayero (in Mundi and Zakaria 2007) is the process whereby concerted efforts are made in order to facilitate significant increase in rural resources productivity with the overall objectives of enhancing rural income. Increase employment opportunities and upgrade rural communities. As more comprehensive and encompassing definition is the one given by Ndubisi (1992:218) that rural development is the development of moral, social, political and economic potentials of rural communities to enhance their economic self-reliance through the provision of appropriate infrastructures such as pipe-borne water, electricity, good roads and small-scale industries; increase their political consciousness and participation and promote their
moral and social well-being which result in tolerance; good disciplines; justice, fairness, kindness, love and peace.

From the above, one can deduce that rural development simply means changing the social, political and economic lives of the people living in the rural areas. The provision of social amenities such as roads, hospitals, water, electricity and modern agro-inputs, among others, will enhance their productivity and welfare. Rural development goes concurrently with sustainable development. The World Commission on Environment and Development (WCED) report defines sustainable development as “development that meets the need of the present without compromising the ability of the future generations to meet their needs (Adeokun, 2000)”. Aina et al. (1992) give a similar but more comprehensive definition of sustainable development. They see it as a process in which the exploitation of resources, the direction of investment and orientation of technological development and institutional charges are all in harmony and enhance both present and future potential to meet human needs and aspirations.

In this sense sustainable development reconciles economic growth of the present and that of the future. It focuses on social justice and well being of the urban and rural man, as well as equal distribution and utilization of resources. Sustainable rural development approach calls for social and economic development that meets the needs of the present and that of the future generations of the rural areas.

4. Nigeria’s Experience on Rural Development

Since political independence in 1960, successive Nigerian governments have been grappling with how to develop the rural areas. This is in realization of the fact that rural development is the focal point of the overall economic development. Consequently, the government invested enormous resources in order to enthrone rural development, which has becomes an article of faith and wonder formula for replacing poverty with prosperity in the country. Various policies and programmes meant to transform the rural areas were therefore set and implemented by the government. Even the development plans were geared towards the development of the rural areas. For instance, the 1962-68 and 1970-74 plans emphasized agricultural development as a strategy for the development of the rural areas. More specifically, the programmes adopted for rural development ranged from the “subsidy approach to the rural areas in order to stimulate growth and development, to the packaged approach which includes the Agricultural Development Programmers(ADPS) that were all sponsored by the World Bank” (Ayodele 2003:23). Other programmers that were lunched, funded and piloted included Entrepreneurship Development Work for Yourself (EDWY) (1971), National Accelerated Food Production Programme (NAFPP) (1972), Operation Feed the Nation (OFN) (1976), later Green Revolution (1979), Mass Mobilization for Social and Economic Recovery (MAMSER) (1988), the Directorate for Food Rural Roads and Infrastructure (DIFFRI) (1987), to the present day National Poverty Eradication Programme (NAPEP) (2000), Poverty Alleviation Programme (PEP) (2002), National Economic Empowerment and Development Strategy (NEEDS) (2004), to mention a few. The objectives of these programmes were to develop the rural areas through boosting agricultural production, provision of roads, water, electricity, and to operate and administer land among others. The objectives of these programmes are very laudable and commendable but effective performance of each of them depends on a number of factors, which are:

1. Legitimacy of the institution, that is, the extent it is accepted by the local community and the level of the people involvement from the planning to the implementation stage;
2. Human and financial resources allocated for the running of the programme;
3. The specificity of the functions, not overlapping with the responsibilities of other agencies;
4. And the stability of continuity even after the change in government.

Unfortunately, these institutions performances have not been significantly positive. This means the benefit of these rural development programmes have not trickled down to the masses and have not in any way justified the massive investments on them by the government. This also means that the people in the rural areas have continued to wallow in abject poverty, diseases and misery. The country has continued to spend large amount of Naira in importation of food and other basic necessities of life. The major factors being that there is lack of entrepreneurial skills, no women empowerment, lack of users participation in planning and execution, official corruption in terms of inflated contracts and invoices. No wonder the earlier programmes like DIFFRI, OFN and MAMSER have since been put in oblivion

4. Rural Entrepreneurship as a Force for Economic Change

Many examples of successful rural entrepreneurship can already be found in literature. Diversification into non-agricultural uses of available resources such as catering for tourists, blacksmithing, carpentry, spinning, etc. as well as diversification into activities other than those solely related to agricultural usage, for example, the use of
resources other than land such as water, woodlands, buildings, available skills and local features, all fit into rural entrepreneurship. The entrepreneurial combinations of these resources are, for example: tourism, sport and recreation facilities, professional and technical training, retailing and wholesaling, industrial applications (engineering, crafts), servicing (consultancy), value added (products from meat, milk, wood, etc) and the possibility of off-farm work. Equally entrepreneurial, are new uses of land that enable a reduction in the intensity of agricultural production, for example, organic production.

Dynamic rural entrepreneurs can also be found. They are expanding their activities and markets and they find new markets for their products and services beyond the local boundaries. Women are behind in entrepreneurship development. Too often their names are not specifically mentioned, although the evidence shows that there are many activities in rural areas pursued by female entrepreneurs such as trade, food processing, handicrafts, production of basic consumer articles, catering, running tourist establishments, and bed and breakfast arrangements. However, compared to male entrepreneurs, female entrepreneurs in rural areas still tend to be limited to what have traditionally been viewed as women’s activities. Also, the scale of their entrepreneurial operation tends to be smaller when compared with male entrepreneurs. Although agriculture today still provides income to rural communities, rural development is increasingly linked to enterprise development. Since national economies are more and more globalized and competition is intensifying at an unprecedented pace, affecting not only industry but any economic activity including agriculture, it is not surprising that rural entrepreneurship is gaining in its importance as a force of economic change that must take place if many rural communities are to survive. However, entrepreneurship demands an enabling environment in order to flourish.

5. Environment Conducive for Entrepreneurship

For successful rural entrepreneurship, there must be some sort of institutional support. Besides individual or group entrepreneurial initiative the enabling environment supporting these initiatives is of utmost importance. The creation of such an environment starts already at national level with the foundation policies for macro-economic stability and for well-defined property right as well as international orientation. Protection of the domestic economy hinders instead of fosters entrepreneurship. National agricultural policies such as price subsidies to guarantee minimum farm incomes and the keeping of land in production when over-production already exists are definitely counterproductive to entrepreneurship. The long run solution for sustainable agricultural development is only one, i.e. competitive agriculture. While prices can set the direction, entrepreneurs who will meet the challenge of increasingly demanding international markets and who will find profitable alternative uses of land, alternative business opportunities and so on are needed. Therefore, policies and programmes targeted more specifically at the development and channelings of entrepreneurial talent are needed. Policies to increase the supply of entrepreneurs, policies developing the market for other inputs into successful entrepreneurship, policies for increasing the effectiveness of the entrepreneurs and policies for increasing demand for entrepreneurship can significantly speed up entrepreneurial activities at national, regional and community levels.

The policies and programmes targeted specifically to the development of entrepreneurship do not differ much with respect to location. From the perspective of the process of entrepreneurship, whether the location is urban, semi-urban or rural, is not important in itself. For example, the needs of a would be entrepreneur or an existing small business do not differ much from those in an urban area. To realize their entrepreneurial ideas or to grow and sustain in business, they all need access to capital, labour, markets and good management skills. What differs is the availability of markets for other inputs. The inputs into an entrepreneurial process, capital, management, technology, buildings, communications and transportation infrastructure, distribution channels and skilled labour, tend to be easier to find in urban areas. Professional advice is also hard to come by. Consequently, entrepreneurial behaviour, the ability to spot unconventional market opportunities, is most lacking in those rural areas where it is most needed i.e., where the scarcity of these other inputs is the highest.

There are reasons why rural entrepreneurship is more likely to flourish in those rural areas where the two approaches to rural development, the bottom up and the top down, complement each other. Developing entrepreneurs require a much more complex approach to rural development than in many times the case in practice. It requires not only the development of local entrepreneurial capabilities but also a coherent regional/local strategy. Evidence shows that where this is the case, individual and social entrepreneurship play an important role in rural economic, social and community development. The top down approach gains effectiveness when it is tailored to the local environment that it intends to support. The second prerequisite for its
success id that ownership of the initiative remains in the hands of members of the local community. The regional development agencies that fit both criteria can contribute much to rural development through entrepreneurship. Other institutions that can make a difference to rural development based on entrepreneurship are agricultural extension services. However, to be able to act in this direction, they too must be entrepreneurially minded. They must see agricultural activities as one of many possible activities that contribute to rural development. They must seek new entrepreneurial uses of land and support local initiatives in this respect. While tradition is important it is nevertheless dangerous to be over-occupied with the past, otherwise the rural community may turn into a nostalgia-driven society. Networking between different agencies involved in the promotion of rural development through entrepreneurship, by pooling together different sources and skills, by reaching a greater number of would be entrepreneurs and by assisting a greater number of local entrepreneurial initiatives, can have a more positive effect on rural development than when each agency is working on its own.

Entrepreneurship in rural areas can benefit a lot from the so called strategic development alliances, i.e., partnership among governments or non-profit seeking organizations, universities and private sector. To summarise, policy implications for rural entrepreneurship development are:

- Sound national economic policy with respect to agriculture, including recognition of the vital contribution of entrepreneurship to rural economic development.
- Policies and special programmes for the development and channelling of entrepreneurial talent;
- Entrepreneurial thinking about rural development, not only by farmers but also by everyone and every rural development organization; and
- Institutions supporting the development of rural entrepreneurship as strategic development alliances.

6. Women Entrepreneurship and Sustainable Rural Development in Nigeria

Rural development is concerned with the improvement of the living standards of over 70 percent of the population of the country living in rural areas. To make the process sustainable involves the participation of all segments of the population and requires the development of skills, capacity and institutions to ensure effective use of resources and enhanced productivity. In this regard the involvement of women is crucial to the achievement of sustainable rural development in the country.

Women entrepreneurship is necessary for sustainable rural development because, despite the fact that women make up more than 50 percent of Nigerian population, they encounter many constraints when trying to take part in the transformation process. Rural areas tend to be more traditional in regard to the gender issue. In rural areas, the gender issue is usually a much stronger hindering factor to potential female entrepreneurs than it is in urban areas, their self-esteem and managerial skills being lower when compared to urban women and access to external financial resources more difficult than in urban areas. Therefore, special programmes of assistance (technical and financial) to overcome these constraints should be developed and designed to meet the needs of rural women in order to be able to take an active part in entrepreneurial restructuring of their communities, to start to develop their own ventures, to expand their already existing business, or to function as social entrepreneurs since their number today is still below the potential one.

Women entrepreneurship involves women empowerment which according to Azikiwe in (Olawamimo, 2011) means “raising the awareness and consciousness of women towards act and laws that are detrimental to their progress and survival, it means giving women the authority and legal power to participate without any hindrance”. Karl (in Lamidi, 2006: 109) affirms this when he noted that it is a process of awareness and capacity building leading to greater participation in decision making process, control and transformation actions, so as to enable them perform better towards improving themselves, their families and society as a whole.

In whatever perspective one looks at it, women empowerment entails strengthening their existing skills and capacities, equal access to participation and decision making in social, political and economic life of the society. It also means equal access of women to health care, quality education, employment, equal remuneration, occupational health and safety, social security and public office among others. Women empowerment will therefore lead to the sustainable development of the rural areas in the following ways:

- Providing the women the opportunity to participate and contribute to the health and well-being of their families. Illiteracy is associated with poor nutrition which make family members vulnerable to diseases and unproductive.
- An empowered women guarantees enhanced family health which makes the process of developing the rural areas realistic, sustainable and rapid.
- Again empowerment instills in women the competence and technological capabilities that are critical assets normally employed in developing the rural areas. This makes women to produce effectively to
increase the income and the well-being of their families, all of which are great factors for enhancing the productivity in the rural areas.

- Women empowerment will also expand their frontiers since it equips them with the skills and competence to work in all spheres of the economy. This also makes women active agent of rural development through agriculture, trade and industry. Women empowerment is generally agreed to be the appropriate strategy and tactics for enhancing the participation of women in politics, governance and decision making. It also gives women the guts to compete with men in election and political appointments. This will again sustain freedom and respect, and earn them equal treatment with men. For sustainable rural development, women’s participation in politics and governance must be achieved.

- Women provide the backbone of rural economy. They makeup 68.8 percent of the agricultural labour and produce about 80 percent of the Nigerian food output (Oluwamimo, 2001:63). This means that women empowerment will instill in them technical capabilities and knowledge necessary for modern agricultural operations. This makes the provision of food for the teeming population of the country sufficient and this will result in sustainable rural development. Empowering women through education and equal access to credit facilities will enable them to compete favourable with men in the labour market. It will also give them the capital needed for the establishment of agro-allied industries required for the rapid and sustained development of the rural areas. The success of rural development programmes is dependent on the cooperation between men and women. It means therefore that women have to be given the required support to make them active participants in the development process. Empowering women will give them the innermost feeling of self-esteem and freedom from men servitude. This will then engender their productivity and its consequential rural development.

7. Recommendations

In view of the important role entrepreneurship play in the process of development and based on the fact that most women live in the rural areas and are actively engaged in the development of such areas, the following recommendations are made to enhance their status and role in sustainable rural development:

- Government and Non Governmental Organizations (NGOs) should organise entrepreneurship training in the rural areas in order to facilitate the adoption of new innovations in the rural areas;

- Rural entrepreneurs should establish common projects such as
  - Collective marketing,
  - Bulk purchasing,
  - Common facilities, e.g. to share machinery and equipment, a warehouse or a vehicle or office facilities,
  - Group-owned enterprises,
  - Training programmes in order to improve themselves and their enterprises.

- Government should support the initiatives of groups, private sector associations and communities to develop their self-help programmes.

- Government should encourage and improve the implementation of existing regulations.

- Government should strengthen the public administration to make the regulatory and administrative environment more conducive for rural and women entrepreneurs.

- Rural development policies and programmes such as extension services and micro-credit facilities should be extended to women. A one-sided strategy should be greatly discouraged.

- Corruption which is the major avenue for siphoning public funds meant for women empowerment should be eradicated in Nigeria. This calls for the support and strengthening of the Economic and Financial Crime Commission (EFCC) to fight this menace.

8. Conclusion

This paper concludes that entrepreneurship and women empowerment must be achieved, if the process of rural development must be sustainable. This is due to the fact that entrepreneurship guarantee the actors high status, self esteem and dignity; education through which skills and knowledge are acquired. These attitudes are imperative for the development of rural areas.

References


This academic article was published by The International Institute for Science, Technology and Education (IISTE). The IISTE is a pioneer in the Open Access Publishing service based in the U.S. and Europe. The aim of the institute is Accelerating Global Knowledge Sharing.

More information about the publisher can be found in the IISTE’s homepage: http://www.iiste.org

CALL FOR PAPERS

The IISTE is currently hosting more than 30 peer-reviewed academic journals and collaborating with academic institutions around the world. There’s no deadline for submission. Prospective authors of IISTE journals can find the submission instruction on the following page: http://www.iiste.org/Journals/

The IISTE editorial team promises to the review and publish all the qualified submissions in a fast manner. All the journals articles are available online to the readers all over the world without financial, legal, or technical barriers other than those inseparable from gaining access to the internet itself. Printed version of the journals is also available upon request of readers and authors.

IISTE Knowledge Sharing Partners

EBSCO, Index Copernicus, Ulrich's Periodicals Directory, JournalTOCS, PKP Open Archives Harvester, Bielefeld Academic Search Engine, Elektronische Zeitschriftenbibliothek EZB, Open J-Gate, OCLC WorldCat, Universe Digital Library, NewJour, Google Scholar