



**Aalto University**  
School of Business

Mikkeli Campus

## UTILIZING NIGERIA RESOURCES FOR OPTIMAL ECONOMIC SUSTAINABILITY

Developing Nigeria Economy Through Agricultural Entrepreneurship  
(Agripreneurship)

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International Business

Bachelor's Thesis

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Date of approval: 8 April 2019

Aalto University

School of Business

Bachelor's Program in International Business

Mikkeli Campus

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<b>Title of thesis:</b> Developing Nigeria Economy Through Agricultural Entrepreneurship (Agriprenurship)
<b>Date:</b> 8 April 2019
<b>Degree:</b> Bachelor of Science in Economics and Business Administration
<b>Supervisor:</b> Heikki Rannikko
<p><b>Objectives</b></p> <p>This thesis seeks to understand Nigeria's Agricultural system, its problem, challenges, and ways of proffering solution to mitigate its Negative current state. This thesis will determine if Agriculture can stand to become an income earner for Nigeria.</p> <p><b>Summary</b></p> <p>Nigeria natural resources are either mismanaged, underutilized or undiscovered. Agriculture with an elaborate market scheme and strategy can revive Nigerian Stagnant Economy in many aspects.</p> <p><b>Conclusion</b></p> <p>Recently, Agriculture is the most significant single contributor to Nigeria's economic output by contributing over twenty-eight percent of its real GDP growing at a four percent rate compared to other industries. The Nigerian government is moving towards Agriculture as a means of future growth, development, and employment.</p> <p><b>Keywords:</b> Agriculture, Entrepreneurship, Nigeria, its government and its people, Growth, strategy, Management, Natural resources.</p> <p><b>Language:</b> English</p>
<b>Grade:</b>

COVER PAGE

TITLE PAGE

ABSTRACT

TABLE OF CONTENT

1. Introduction

- 1.1. Background
- 1.2. Research Problem
- 1.3. Research Question
- 1.4. Research Objectives

2. LITERATURE REVIEW

2.1. Introduction

2.1.1. Agriculture

2.1.2. History and significance of Agriculture in Nigeria

2.2. Agripreneurship

2.2.1. Concepts of Agripreneurship

2.3. Agripreneurship in Nigeria

2.3.1. Incorporating Agripreneurship into Nigeria Economy

2.3.2. Advantages of Agripreneurship in Nigeria

2.3.3. Disadvantages of Agripreneurship in Nigeria

2.4. Anticipated Results from Agripreneurship

2.5. Conclusion

2.5.1. Recommendation and proffered solution for a successful Agripreneurship cooperation

2.6. Conceptual Framework

3. Methodology

## 4. Findings

4.1. Effect of Agriculture Decline in Nigeria

4.2. Factors Affecting Growth of Agriculture in Nigeria

4.2.1. Lack of Development

4.2.2. Lack of Good Infrastructure

4.3. Environment

4.4. Climate Change

## 5. Discussion and Analysis

## 6. Conclusion

6.1. Main Findings

6.2. Research Limitation

6.3. The implication to International Business

6.4. Suggestion for Further Research

## 7. References

## **INTRODUCTION**

Throughout the world, demand for food is soaring, especially in rapidly growing cities. Job creation and wealth generation to meet the escalating demography can make it all good news. Nigeria needs an opening so it can spring forth and develop in an area where the country can operate to the best of its ability. A business quote said New things are old things happening to new people. This is true because Agriculture is not a new business venture however for the present generation, the thought of Agriculture is new, fresh and raw. From research, these are conditions not just for a booming agricultural sector, but also for a significant reduction in dearth which is what Nigeria needs, in a country where there are more than one hundred and fifty million people living below the poverty line (Africa Progress Report, 2014).

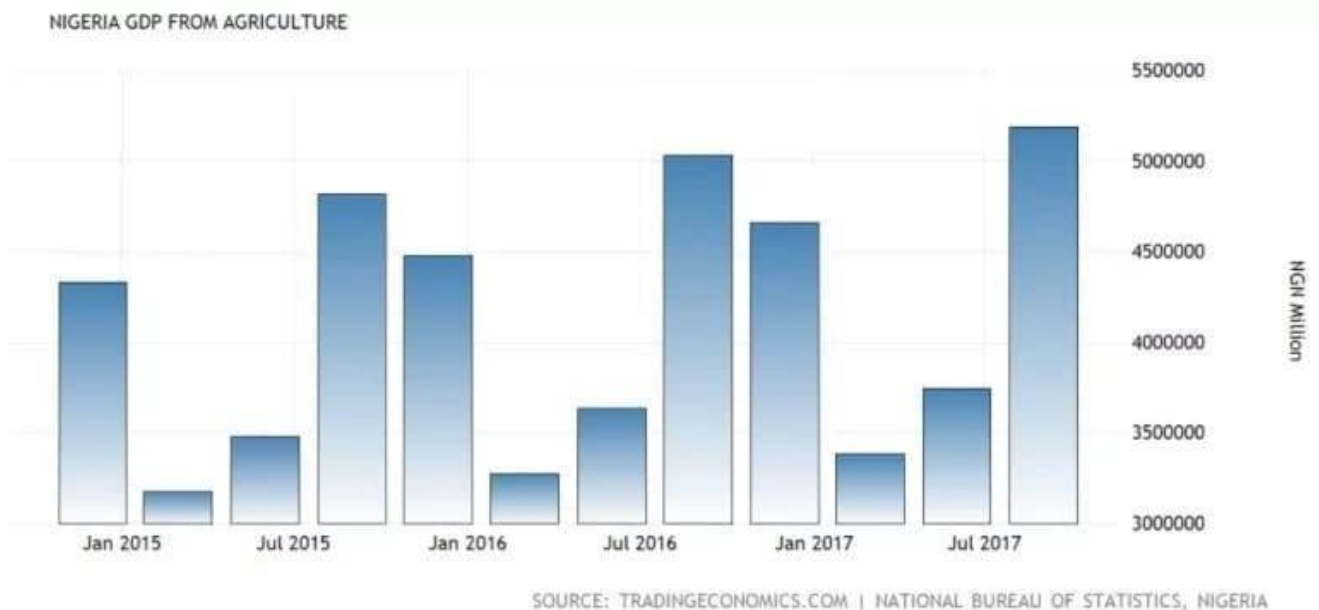
Nigeria economy grew rapidly after the discovery of crude oil, unfortunately, most of the benefits obtained from exportation of crude oil were embezzled by the rich and corrupt politicians. In recent years, the poor masses receive fewer and less benefits especially when the growth is fueled by oil and mineral export which tend to create few jobs (Andrella, 2017). An agricultural extension can change that because it reduces poverty twice as fast as growth in other sectors. Nigeria should input more assets into agriculture and continually improves established and legal agendas, it will be in a position not only to feed itself but to export food as well as make its mark in the sand of time for the rest of Africa and the world to see and follow

### **Background**

There are four major sectors which contributes to Nigeria's economy, namely petroleum/oil, agriculture, manufacturing, and services. Although the agricultural industry (which encompasses crop production, forestry, livestock, and fishing) has always been the highest contributor to Nigeria GDP, the petroleum sector is the most significant source of income in Nigeria. Kevin (2017) also draws attention to the statistical figures of

agricultural contribution to Nigeria's GDP in 2013: The Agriculture sector contributed about 22% of Nigeria GDP while Crude Oil 14% telecommunication 9% and manufacturing 7% (US Department of State, 2014). Services, telecommunications, finance, and construction contributes about 52% of the GDP, and at 2016 the agriculture sector added 24.18% of the GDP more than oil and manufacturing combined (CBN, 2016). This information shows that although Petroleum is currently portrayed as the main income of Nigeria, the agricultural sector is sustaining and propelling Nigeria forward. This also proves that agriculture and Agripreneurship is essential to regain the past glory of Nigeria and development the Nigeria economy that is currently stagnant. The revival of Agriculture in Nigeria will also go a long way to improving the living standard of the people.

Agricultural commercialization and investment are some key strategies for promoting, modernizing and attaining sustainable growth and development (Kelvin, 2017). However, for Nigeria to have a successful development and re-growth of the Agricultural sector, there is the need to identify major challenges facing the sector. Once these challenges are identified, measures need to be taken against these besetting challenges and strategies needs to be put in place to prevent reoccurrence and backlash in the agricultural sector.



## Research Question

The current situation of Nigeria Agriculture industry and its impression on the labor force of the country is rapidly declining. This has made students refuse to take Agricultural related courses in Universities and has also made graduated students continuously refuse to work in any Agricultural industry. Many issues are facing the Nigerian Agriculture sector which needs to be researched and emphasized upon; however, the thesis will only analyze its key points. Below are the questions that demands answers and urgent attention

- What was and is the effect of Agriculture decline in Nigeria?
- What are the factors affecting the growth of Agriculture in Nigeria?
- What is the Solution to Agricultural challenges in Nigeria?

### **Research Problem**

Resources and information regarding Nigeria Economy are limited and outdated which makes writing the thesis difficult. A good dissertation needs information that is current and complete to ensure accurate analysis of the overall situation. Specifically, progress on Agriculture is plodding, ineffective, and inefficient. While there are numerous studies on the issues facing Nigeria, most research is not academic but done superficially, with no fundamental insight into what the problem is and possible solutions to the problem. Information derived for the thesis were gotten from internet sites, blogs, YouTube channels, and mostly from debates and discussions with fellow Nigerians. Data obtained for the thesis claims that cannot be backed up by evidence or references; therefore, cannot be quoted in this paper. While experience may be the best teacher, those experiences cannot offer credibility in an academic thesis thus making this thesis lack vital information from credible sources.

### **Research Objectives**

More than 80 percent of Nigeria's foreign exchange comes from oil alone. Agriculture and other relative income generator have been relegated to the background at considerable costs, such as negatively impacting the capacity to create jobs, reduce poverty, increase national productivity, diversify the economy, achieve food security, and put the country on the path of sustainable development. This thesis seeks to understand Nigeria's Agricultural system, its problem, challenges, and ways of preferring a solution to mitigate its Negative current state.

## **2. LITERATURE REVIEW**

### **2.1. Introduction**

Nigeria is the most populated country in Africa with over 190 million citizens, and its commercial petroleum business is its key source of GDP income and revenue. Nigeria, the seventh largest country in the world is located in West Africa, a tropical region country with diverse natural assets such as Natural Gas, crude oil, tin, iron ore, and numerous agricultural products such as beans, yam, cassava, apple, melon, Cocoa, peanuts, corn, rice, etc. (Fadojutimi 2012).

After Crude oil was discovered in June 1956, and the immense desire for independence, Nigeria switched its income source from Agriculture to crude oil which promised a faster pace of economic growth both in the long and short run. The discovery of crude oil in Nigeria thus led to the famous 'Black Gold' Era.

Previously the unearthing of crude oil, Agriculture was the prime revenue generator in Nigeria with massive output, exports, and productivity (Andrew Walker, 2009). Agriculture assisted in stabilizing the country's balance of payments, and its balance of trade thereby giving Nigeria an advantageous end of trading. However, since the detection of crude oil, the agricultural sector has taken a descending slide and is no longer thriving.

The country which was once a principal exporter of cocoa, rubber and palm oil has now deteriorated gradually over the past 30 years. Nigeria is a country that has an enormous potential to be a significant exporter of food, raw materials, and livestock, however, it now depends on importation of food to sustain its swiftly increasing populace (Global Citizen, 2012).

#### **2.1.1. Agriculture**

Agriculture is a broad field that encompasses a lot of other subfields such as Mining, Forestry, Fishery, Lumbering, Farming. Agriculture is presumed and expected to be a



low-tech endeavor that has limits in its dynamics, suitable for farmers with no innovative ideas and requires little earnings. However, there have been changes in the agriculture sector howbeit minimal due to a fast-evolving society, therefore, providing sustainable and progressive opportunities for farmers and today's youth to grow and develop Agriculture into a gigantic income earner for product quality and its value chain management.

### **2.1.2. History and significance of Agriculture in Nigeria**

Nigeria is a country generously gifted with copious natural possessions. With the accessibility to the large labor force and natural resources, Nigeria has the potential to grow a prosperous economy and afford for the pure necessity of the population.

Nigeria's abundant human and extensive reserve heritage provide it with the potential of becoming not only Africa's important economy but also the most crucial player in the universal economy. However, this is only possible if these resources are well managed and fully utilized. These resources comprise 84 million hectares of arable lands, skilled labor force and two main rivers in Africa known as river Niger and River Benue. Equated with other African, European and Asian countries, economic expansion in Nigeria has nevertheless remained beneath par and incapability to tap much of the abundant human and material possessions have made Nigeria a degenerating economy with the inhabitants suffering in deficiency and poverty.

During the 1960s, agriculture was accountable for over 80% of Nigeria's occupation and export incomes, over 50% of its government proceeds, and over 65% of the country's GDP (gross domestic product). Thus, a reflective look into the Nigerian economy portrays agriculture (which accounts for 26.8% of GDP and two-thirds of employment) as the mainstay, and chief foreign exchange earner has experienced a deterioration in efficiency due to years of negligence (Global Citizen, 2012).

Agriculture was viewed as the sector that will lead Nigeria into becoming the most industrialized economy; however, this remarkable role of Agriculture has worsened over the years (Kilby, 1969). Despite the mounting attention given to crude oil production and refinery, the agricultural sector GDP has persisted in remaining comparatively stable. Even though agriculture no longer serves as the foremost contributor to Nigeria's gross national product and principal foreign exchange earner due to extraordinary growth in the petroleum segment of the economy, agriculture has however managed to be the central economic activity with regards to employment in the marketplace.

## **2.2. Agripreneurship**

Agripreneurship meaning Agricultural entrepreneurship is the coalition of diverse business sectors that can all be a contributor to making the Agricultural industry a successful income earner. Such industry includes the Information technology sector, the technology sector, the banking and finance sector, the business sector, the economic sector, and the labour sector.

### **2.2.1. Concepts of Agripreneurship**

Agripreneurship entails the entire value chain from the input of raw materials to the final output wherein the finished products reach the ultimate consumers. Agripreneurship is Agriculture; however, it operates on a new shape, scope, platform, and direction. It involves not just crop cultivation but incorporates the combination of agriculture and entrepreneurship which converts agriculture into an enterprise, therefore, making it appeal to the modern and technologically developed stakeholders.

Agricultural entrepreneurship transcends ancient farming and evolves into agribusiness (the addition of business into agriculture), which develops further into agricultural entrepreneurship (addition of entrepreneurial principles into agribusiness). Agripreneurship creates a business opportunity (such as value addition, global marketing,

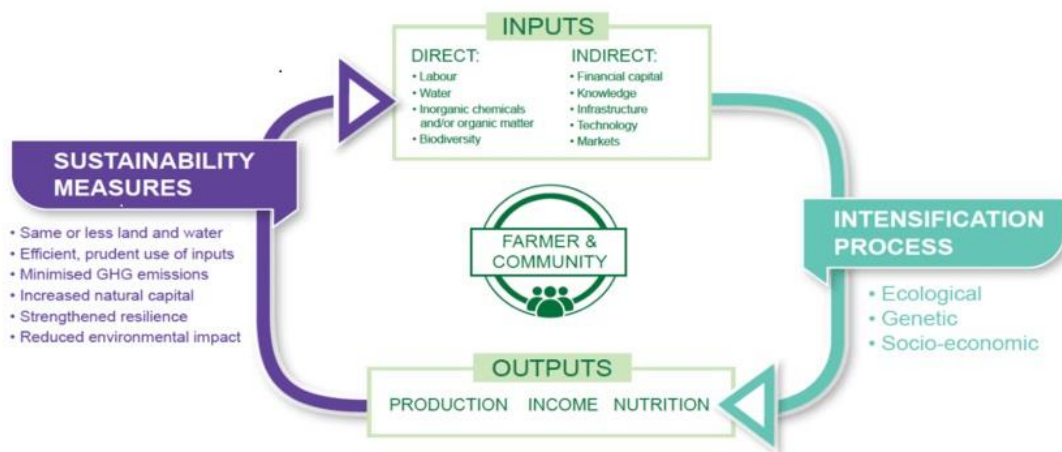
high tech agriculture.) that can be exploited to boost job creation, increase productivity and become a foreign income earner.

### **2.3. Agripreneurship in Nigeria**

Nigeria possesses the ability to advance its economy utilizing Agripreneurship, its development, maintenance and sustainability, however, the economic benefits of many agricultural products in Nigeria lack improvement and adjustment due to limited knowledge of value addition. There are other mitigating factors such as low technologies, poor infrastructure, and inconsistent government policies. As a result, Nigeria is suffering from two fundamental key agricultural breaches namely failure to meet domestic food necessities and the incapability to export quality products vital to a thriving market economy. (Ado, 2017).

#### **2.3.1. Incorporating Agripreneurship into Nigeria Economy**

History of Agriculture in Nigeria has shown that with Agriculture can be a massive income earner for the country when proper strategies are put in place. For agriculture in Nigeria to become successful, Agripreneurship is the key. The idea and concept of agriculture among the youth of today is of adverse impact and widely believed to be a weak and dirty occupation that no one is willing to divest. However, with Agripreneurship, Youth from various field and sectors can be brought to work together in all the aspects of Agriculture value chains. Young and incoming graduates can be engaged in training to become future Agripreneurs. Along with their developed skills and training, Nigeria can have a fighting chance to combat the recession and stimulate Nigeria growth and development from its current stale position.



### 2.3.2. Advantages of Agripreneurship in Nigeria

- Agripreneurship combats recession
- It Proffers solution to massive unemployment ratio
- Increase in foreign income exchange earnings
- There is a contribution to social and economic development through Agripreneurship
- There is an immense reduction in Nigeria's poverty index
- It ensures proper nutrition and food security
- Agripreneurship as a business entity diversifies Nigeria Economy and income bases
- Provision of entrepreneurial opportunities
- Increase in Agricultural productivity
- Creation of new ventures
- Development of innovative products and services

### 2.3.3. Disadvantages of Agripreneurship in Nigeria

- Insufficient infrastructure (Lack of Modern Equipment)
- Difficulty in obtaining credit

- Lack of training for farmers
- Ignorance of Farmers on benefits offered by the system
- Limitations of knowledge on modern farming techniques
- Derisory technologies
- Unstable Political Environment
- Poor communication and Transportation Networks
- Expensive IT services
- Corrupt Governmental Bodies
- The absence of Farmers Cooperatives
- Poorly managed Financial Institutions
- Lack of funding for the research organization
- Institutional weaknesses

#### **2.4. Anticipated results from Agripreneurship**

When Agripreneurship is successfully incorporated into Nigeria, Agripreneurs can provide their families with affordable, nutritious food, medical care, and other life necessities. Previously, Nigerians suffered from high Poverty ratio which drained their resources, but with the emergence of Agripreneurship, Nigeria can safely and promptly build, replenish and save its resources.

#### **2.5. Conclusion**

In Nigerian, to ensure Agripreneurship is successful and well embraced, there is a need to make agriculture striking and attractive with a considerable emphasis on Agripreneurship as the current and practicable life-line for the economy. Nigeria's present economic experience requires diversification wherein petroleum is not the only foreign income earner for the country but can be managed to ensure that Agriculture entrepreneurship plays a pivotal role in reviving its dying economy. Based on research, Nigeria has a vast opportunity for entrepreneurship in agriculture that can be optimally

utilized to benefit its economy, wherein there will be increased in the per capita income and the citizen's standard of living.

### **2.5.1. Recommendation and proffered solution for a successful Agripreneurship cooperation**

For Agripreneurship to be a successful project in Nigeria, all hands need to be on deck (Nigerian Government and its citizens) to take practical steps to cultivate, nurture and develop the economy. On the one side, governmental organizations are required to change the agricultural sector employing apportioning enough funds necessary to transform the agriculture sector. Also, the government is essential to start well-resourced Agripreneurship advancement platforms and establish intermittent Agripreneurship improvement programs. These platforms ensure that both current and potential Agripreneurs are trained in line to better serve and develop Agripreneurship as a whole.

With these pieces of training, Agriculture entrepreneurs in Nigeria will be capable of using the gained knowledge and technique to ensure the success of the Agribusiness and economy. Agripreneurship as a model or course can be integrated into the education system of Nigeria wherein young students can learn from their youth and develop the mindset of Agripreneurship.

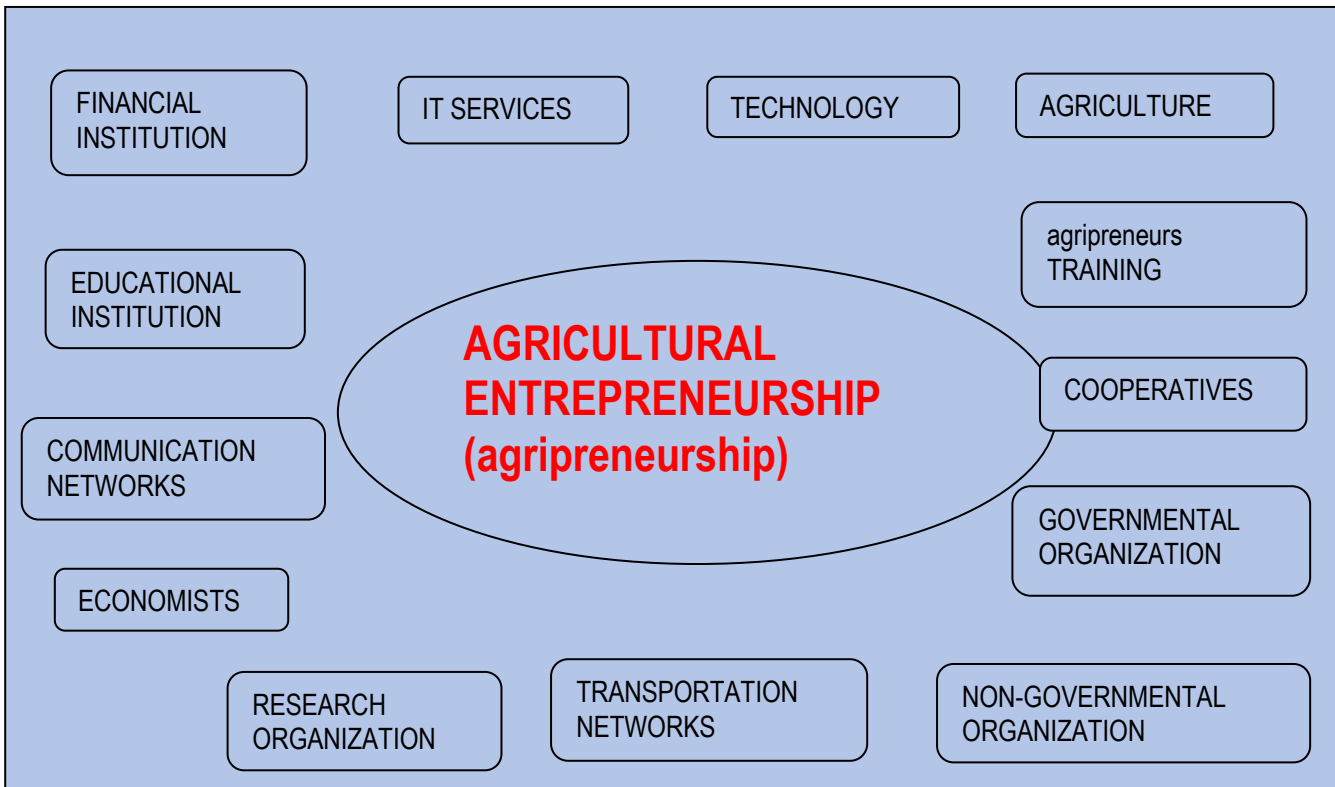
On the other hand, Nigeria should also make agriculture and Agripreneurship the pivot of its economic revitalization. Agripreneurs should focus more on mitigating the compelling influences against agriculture and entrepreneurship development.

## **2.6. Conceptual Framework**

The conceptual framework below shows the overall picture of what the literature reviews entails and critical points that will be continuously emphasized throughout the thesis. It is a brief pictorial roadmap that pinpoints key ideas that give credence to the information presented in the thesis.

Below, all ideas itemized in the diagram are important sectors that can and will make Agripreneurship a successful endeavour. They are vital ingredients that can make or mar the whole process of Agripreneurship, so they are must-have items both in the long and short run of Agripreneurship.

Table 1.2 showing the Conceptual Framework of Agripreneurship.



### **3. Methodology**

Data obtained for this thesis were derived from different sources. These data include publications from books, published thesis, internet source, journals, blogs, and annual reports. The data collected explains significantly however repeatedly on the past, present and forecasted future of Nigeria when Agriculture is massively invested into. Also included in the obtained data are economic statistics of Nigeria in the 1960s and the 21st centuries. Ideas, opinions, thoughts, forecasts have been taken from some of the books and articles in the reference list of this thesis write up although while some were directly taken and cited, other were used as spring boards to pen down personal opinions. While majority of the data collected were inputted as written words, others were portrayed in tables and diagrams and few were used as platforms for drawing up conclusions.



## 4. Findings

Nigeria has the capability and capacity of being a self-sufficient producer of both cash crops and food crops; however, it is a sad fact to discover that Nigeria has become a high net importer of food crops spending over ten million naira's, depending on food crops importation to feed its ever-growing population. With the discovery of crude oil, Agriculture took a back seat and has thus reduced in its inputs and outputs to Nigeria Economy.

Despite the decline in the Agriculture sector over the years, it cannot be denied that Agriculture has an immense potential to be a foreign exchange earner to the Stagnant Nigerian Economy only if Nigerians decides to stop underutilizing its Agricultural Resources and capacity. While the effect of Agriculture decline affects the Nigerian citizens massively, Agricultural potential especially when broaden and heightened provides hope for the revitalization of Nigeria overall economy.

### 4.1. Effect of Agriculture Decline in Nigeria

In every nook and crannies of Nigeria, the impact of Agriculture decline is felt continually, making the citizens suffer and complain constantly. These effects cannot all be written upon or accounted in this thesis due to the large scale it covers. However, the vital and pressing effect of Agricultural decline in Nigeria is explained upon.

**Increased Governmental Expenditure:** The effect of Agricultural decline in Nigeria in this crucial point is massive becomes it embeds other vital details, one of which is increased net import. Due to the lack of constant and qualitative supply of home-grown Agricultural produces, citizens of Nigeria depend heavily on imported produce to survive and satisfy their need. Due to its low-quality Agricultural produce, exportation is impossible or very minute. Simply put, Nigeria spends more on importing foreign Agricultural food than what it earns.

**Imbalance of Trade:** Balance of Trade is an economic term that explains the difference between the export and import of any given country. It describes the international

business transactions of a chosen nation. Due to the increased spending of Nigeria to satisfy the worldwide demand of its citizens, Nigeria suffers massively from imbalance trading wherein it imports produce more than it exports thus suffers from Negative balance of Trade.

**Heavy Dependence on Foreign Produce:** After the Oil boom, presence of Agriculture in Nigeria deteriorated rapidly, and people lost interest in anything Agriculture. Agriculture is coined the Occupation for the Poor. With reduced labor in the Agriculture sector, Agriculture produces output reduced; therefore, the government had to import from foreign countries to satisfy the demand and ensure there is no food sanity. However, the people grew passion for foreign products due to its high quality as compared to the low variety of the homegrown produce.

**Increased Bribery and Corruption:** In this context, after the decline in Agriculture, more focus was given to crude oil, the black good. There were lots of money to make from crude oil; therefore, the majority of the Nigerian Citizen went after crude oil, leaving Agriculture behind. With lots of money to be made from the crude oil business, many people had to pay expensively to higher authorities in Nigeria which ensured a good career in the industry. Crude oil increased Bribery and corruption.

**Internal War:** Most citizens left Agriculture farming and delved into the exploration of crude oil, especially in the southern areas of Nigeria (Niger Delta Region). Crude oil extracted was sold to the government who continues the process of Oil Refinery. War started when the government refused to pay the Niger Deltas their dues. This was the Civil war that Nigerians experienced. The Niger Delta Citizens that engaged in the war with the government were called Militants. It was a severe war that affected the manageable growth of Agriculture.

**Sickness and Pollution:** Crude oil affected Nigeria in dangerous ways. The oil flowed into water bodies and settled on farming lands. Firstly, oils that settled on farmlands killed the nutrients the produce needed for qualitative growth. Oil on water killed the aquatic life

in water bodies. Citizens working in the mines contracted undiscernible sickness due to the oil. The air was polluted due to the fumes and smokes that came out of the industrial companies.

**Increased Unemployment:** While Agriculture was still a booming sector of the economy, many people were employed, and the unemployment rate in the country was meager. However, with the decline in Agriculture, the ratio of unemployment in Nigeria is very high. Most people would instead remain jobless than delve into any Agriculturally related endeavor due to the low presence Agriculture currently operates within Nigeria.

**Increased Rural to Urban Migration:** Most people in the rural (local parts of Nigeria, also called Villages) regions continually migrate from their hometown to the cities in search of unavailable or limited white collar jobs. This migration system has left the villages underdeveloped and the cities overpopulated with heavy dependence on the provided limited resources in the cities.

Because of the decline in Agriculture, all focus has been given to crude oil exploration and refinement. However, Agriculture once again can regain its footing in Nigeria as its leading exporter and foreign exchange earner only if the factors affecting Agriculture in Nigeria are tackled.

re numerous factors are affecting Agriculture in Nigeria which has made implementation of the Agripreneurship project disadvantageous and nearly impossible. These factors will be itemized and discussed below for proper clarification.

#### **4.2.1. Lack of Development**

The general situation in Nigeria is unstable and shaky which has made development in all sector of the economy lacking. Due to the political instability of the country, all other business sectors in the country are suffering from lack, undergrowth, low inputs and outputs, and uncertainty. The lack of development in Nigeria cuts across its social

development, environmental development, political development, and economic development.

Agriculture has taken the worst brunt of it because it is a sector that has been relegated to the background, therefore, is given no regard due to its low contribution to the overall GDP of the country. With knowledge and understanding of the constraints to the development in Nigeria, the Agriculture sector stands a chance to tackle these problems and weather its storms.

#### **4.2.2. Lack of Infrastructure**

Agriculture in Nigeria suffers due to no presence of required necessary infrastructure. While some expect the presence of proper infrastructure, Agriculture still stands a chance if only this the presence of the underlying infrastructure necessary to make a living and working relatively okay. Such infrastructure includes a stable communication network, safe transportation networks, functioning hospitals, constant electricity, steady and clean water supply, education system, modern agricultural equipment, and reliable social services (Insurance, government funding, cooperatives).

Agriculture and most of its products come from the rural areas of Nigeria, and these are the products that serve the country. Most Nigerian citizens prefer to live in urban Areas such as Lagos state, Ibadan, Abeokuta, Abuja, Ogun, and Oyo. These states have large industrial buildings, foreign investments, and companies, government projects. These states also receive most of the allocated government funding leaving the rural regions with little or no government finances whereas the rural areas require these funding more. That is the sad state of the Nigerian Economy and why Agriculture is suffering in Nigeria.

#### **Labor Force**

One factor that Nigeria has in abundance is its blessing of an ever-growing population. At the last census count held in Nigeria, her population is currently above one hundred and Ninety million and approaching two hundred million. Where this could be utilized to

become an outstanding advantage to the economy, it has successively become an enormous disadvantage to Nigeria.

Due to the lack of modern infrastructure, machinery, and agriculture technologies, Farming must depend on human labor to establish significant input and output. With the presence of a large labor force, this would have been successful; however, most of the labor forces are migrating to the urban regions of Nigeria in search of white-collar jobs. The youths leave behind in the rural areas the elderly and children to engage in the farming activities whose output is required to feed a nation of over one hundred and ninety people.

Due to the absence of these labor forces in rural areas, the output of Agricultural produce has reduced making the country dependent on the importation of food crops. Another disadvantageous side effect of the rural-urban labor force migration is the heavy dependence on the limited available resources provided in the urban region. When these internal migrants are unable to achieve their purpose of migrating, they become unemployed increasing the country unemployment ratio which results in increased corruption further leading to an unstable economy which will in turn return to affect Agriculture.

### **Pricing System**

Due to the high level of corruption and individual self-interest paramount in Nigeria, businesses are using cut-throat prices to sell their market produce which has also given rise to inflation. The Nigeria government has been unable to execute and implement a stable price system where its price floors and price ceilings are constant year-round and in all market systems. Due to the improper management of the market system, monopoly is the order of the day and unhealthy competition has taken over the market making citizens suffer especially Agriculture farmers where they get significantly below the price for their product.

Apart from unstable pricing in Agricultural produce, agricultural equipment also experiences the presence of volatile prices. Sellers of agriculture machinery inflate their prices to heights not purchasable by the farmers. If the farmers purchase those pieces of machinery, they spend all their income from sales of their agricultural produce; thereby they are unable to buy farming seeds for the next farming year. Since this occurs yearly, it has placed a massive gap in the yearly output of agriculture produce making the industry suffer.

Other factors contributing to lack of development is its poor storage system, unrealistic and untargeted marketing system, unstable political system, corrupt government, Bribery and corruption, the presence of social misfits.

#### **4.2.3. Environment**

Nigeria is blessed with abundant natural resources, and with proper strategic management will take Nigeria to soaring heights. However, aside from mismanagement of these natural resources, Nigeria is suffering environmentally from deforestation and soil erosion which has massively affected its agriculture sector. Deforestation is a term used when the forest has been stripped of things which makes it a forest most especially Timber. Timber in Nigeria is used for many items such as buildings, Wooden tables, chairs, cabinets, cutleries, diverse forms of papers, drainages, and various institutions. When Timbers are cut down in their numbers to provide people with these products, and the forest is left bare, that is deforestation. It can be restored if only people adopt the process of reforestation. This is when all trees hewn down are replanted to keep the forest alive.

Soil erosion occurs due to improper management of farming methods. Nigeria season is divided into Wet and Dry season. During the wet season, it rains heavily and continuously for an extended period of over seven months yearly. During these periods, the top layer of the soil used in farming washes away and spreads across pedestrian roads, Firstly, the top and uppermost layer of the soil washed away yearly reduces the nutrient content of the soil which results in low quality produce. Secondly, the water spreads towards the

pedestrian roads destroying the roads as a result of the fertilizers and chemicals present in the soil water.

#### **4.2.4. Climate Change**

The effect of Climate change on Agriculture can be seen in two aspects. Firstly, in the Environment. Due to constant deforestation, and burning, the Ozone layer is depleting rapidly making the Sun hotter which affects the quality of the farm produce and income generation. One way the farm produce is affected is a result of soil water evaporation due to the hotness of the sun.

Secondly, On Humans. Agriculture in Nigeria depends on Human capital (Labor Force) to survive. In some specific part of Nigeria, agriculture is massively affected by the presence of extreme weather conditions. Labor is rendered incapable of functioning on hotter days.

#### **4.3. Solution to Agricultural Challenges in Nigeria**

There are and will be challenged to revitalizing Nigerian Agriculture sector, but with strategic management and market have driven focus, opportunities can arise that could position Nigeria to become a leader in the global food chain – Agripreneurship. This is the possible and probable solution to solving the stagnancy of Nigeria economy.

## 5. Discussion and Analysis

The challenges facing Agriculture in Nigeria seems insurmountable now but based on research, it is possible, howbeit remotely only if all necessary parties to the success of Agriculture come together in agreement to discover a strategic system of improving and managing agriculture. These parties include the government, Farmers, Education Institutions, Banking institution, Media, unemployed Labor force, and other stakeholders. However, much is expected of the government of Nigeria such as making favorable policies for the farmers, providing required infrastructure, and implementing a uniform pricing system.

The government should fill up places where there are lacks, especially in rural areas. Electricity should be provided to ensure that all machinery is functioning without increasing production cost by spending extra on petroleum needed to power the generator that produces electricity. The government should also build schools and hospital in the rural areas which ensure that the youngsters are well educated on the benefits of Agriculture to the economy and farmer are provided with training to ensure they have the and fundamental knowledge of Agriculture. Presence of Hospital that includes different specialists (General doctors, Nurses, dermatologist, dentist, veterinary doctors.) to ensure that necessary treatments are given in time to avoid the spread of health-damaging diseases.

Provision of suitable communication and road networks will ensure that the farm produces to arrive at the market in time to be bought fresh by customers or before it gets rotten and expired. With good communication networks, information between the farmers and consumers are passed easily, quickly and freely with no hindrance or miscommunication. Farmers can understand the needs of the markets and quantity required while consumers can relate to the farmer's feedbacks and requirements for the future. Safe road network also ensures that the goods of the farmers get to the market safely without being hijacked or thrown over in an accident.



One factor to consider is the advanced training of farmers to ensure increased productivity. Farmers are well specialized in the basics of farming (Clearing, planting, watering, weeding, fertilizing, pest control, and harvesting). However, Agriculture with the hope of Agripreneurship entails more than that. It encompasses a process much bigger than the primary system of farming. They are called the post-harvest activities of agriculture. It includes improving market opportunities, promoting commercialization, and increasing return on investment by improving product quality and making products less perishable.

This is possible if farmers have knowledge of processing and storing fresh farm produce into consumable products which can be marketed, transported far and wide, and finally exported when the need arises. However, for this to be successful, the government must provide the required assistance in the aspect of finances, transportation services, and quality control services. The government can also reduce the cost of production to gain a higher income if farmers are provided with means to increase their input and decrease the working time for each stage of farming. This is possible if the government give the farmers a specific number of researchers capable of discovering a new, more comfortable and quicker method of farming without reducing its quality. It will also ensure that waste is minimized to increase the amount of output.

As mentioned above, there is a need for policies that protect the interest of the farmers. One of these policies required is the pricing policy. The government needs to establish a price ceiling and price roof in the market, so all farm produce has the same price based on varieties. For example, the cost of Cocoa is the same in Ogun, Oyo, Kano, Abuja, Lagos as well as the price for rubber is the same in these states.

The unemployment ratio of Nigeria is approaching an uncomfortable height which needs to be dealt with. Graduates unwillingness to work in the agriculture field is because they lack knowledge of the benefit they stand to gain once Agriculture is commercialized. Based on their education level, experience, and achievement, they can be distributed into different sectors in the Agricultural industry to work on a trial basis for a certain period

where benefits are given like that of other retained staffs, and additional advantages are given based on work performance. After the trial period, those uninterested in their given field is given a choice to choose a new area within the agriculture industry or leave while those interested can be retained and promoted based on work performance. If this is done yearly, the unemployment ratio of Nigeria can be significantly reduced.

There are a lot of governmental lands in Nigeria which can be used for the benefits of all Agriculture stakeholders. The government can offer up some of its grounds for a specific period to different farmers to engage in any chosen agricultural occupation. The government also provide these farmers with start-up capital and resources required with the knowledge the government will receive a specific percentage at the end of the rental period. If the farmer can grow the business to one applaudable height, the government can give up the land to those farmers. Those farmers struggling to thrive in their market can team up with other farmers or switch ventures till they find one that is suitable to work in.

Lastly, farmers can set up different cooperatives that will cater to their economic interest and ensure they obtain their rights and privileges. With the presence of organizations for farmers, private business enterprises and wealthy individuals will be unable to deceive and deny the farmers what they deserve, nor can the farmers be blindsided on how the market operates. They farmers through the cooperatives can voice out their opinions and needs to the government and expect a reply.

## **6. Conclusion**

Agriculture was and can still be a current source of foreign exchange to Nigeria if proper strategizes utilized to revamp the industry. Based on research, Agriculture is a significant source of raw materials to its production and other sectors in Nigeria. Agriculture has contributed to Nigeria's economy an average of 3.7 billion between 2010 and 2017 and based on calculation, that is over 40 percent of Nigeria's Gross Domestic Product (GDP). Although the input of Agriculture towards Nigeria's Economy experiences a yearly rise and fall, it is relatively steady when calculated on average.

Thankfully, howbeit almost late, based on Agriculture average steady input, the Nigeria government have realized the importance of Agriculture to the economy and are vigorously trying to claim back the good old days before the 1960s and the discovery of crude oil. Based on 2016 statistics, agriculture was the utmost significant single contributor to Nigeria's economic output by contributing over twenty-eight percent of its real GDP growing at a four percent rate from where it was in previous years whereas other industries in Nigeria experienced a negative output.

This negative has made the Nigerian government turn to Agriculture as a means of pressing forward growth, development, and employment.

### **6.1. Main Findings**

Most Nigerians live below the poverty line despite the country's high GDP and presence of numerous natural resources and labor force. Majority of Nigeria Natural resources are underutilized (only one-third of the arable lands are cultivated, blessed with large and multiple river bodies, Fishing, and Fishery is an outdated occupation. Mining is deemed strenuous, old and dirty thus youth of today run from it and prefer the limited available white-collar jobs).

One significant finding is that Nigeria can only press forward if all or most of its challenges are resolved. Pushing forward can be possible if Nigeria has in place the presence of a citizen concerned government. This worried government is a government that will cater to the need of the people rather than their selfish interest. It is also a government willing to go the extra mile to see the citizen living about poverty line and well satisfied.

Nigeria needs massive development in all areas and sectors especially the rural areas and agricultural industry respectively. Good infrastructure needs to be provided, unemployed labor force reduced, social misfits be called to task, corruption, pollution and bribery curb. Citizens especially farmers and all industrial and agricultural ventures need

to take proper care of the environment. Avoid deforestation, encourage afforestation and reforestation. Prevent intensive climate change by taking good care of the environment — prompt action in the case of damage or public property destruction.

Finally, for Nigeria agriculture sector to grow and develop to become a foreign exchange earner, Nigeria needs to understand and delve into Agripreneurship. This Agripreneurship will not only improve the overall standard of living of the citizens, but it will also reduce net import, increase net export and increase the country's global GDP. Benefits of Agripreneurship has been explained earlier in the thesis, but an additional interest is the attraction of foreign investment, reduction in unemployment ration, reduction in rural-urban migration, and increased standard of living above the poverty line.

## **6.2. Research Limitation**

The research tried to expressways of understanding, solving, and growing Nigeria economy through Agriculture with emphasis to Agricultural Entrepreneurship, however, Agriculture entrepreneurship is a new policy in Nigeria which made information gotten limited and in the trial stage. Although I am a Nigeria, Knowledge of Nigeria, its current situation and plans are blurry due to limited time spent within the country.

## **6.3. The implication to International Business**

Currently, the presence and image of Nigeria in the International business world is very unfavorable not only due to high corruption associated with the country but also because it lacks credibility with no different trading venture. In the international market, Nigeria exports mainly crude oil which makes it a one-track business. Nigeria lacks the confidence from the global business world because of its accumulated debts, imbalance of trade, imbalance of payments, consistent abundant importing, limited exported product.

However, the lost credibility and confidence can be obtained if Agricultural entrepreneurship is carried out on a large scale wherein it involves other foreign countries. It is synonymous to reverting to the old form of doing Business which is Trade by Barter.

One essential and quick solution to intensify and heighten the credibility of Nigeria in the International Setting is operating and managing a successful business venture with a highly credible and respected country – Finland.

Finland is not a home to natural resources like Oil, Gas, Iron, Coal; however, these natural resources are abundantly obtainable in Nigeria. Co-operation between Finland and Nigeria is possible and can be highly successful because both countries possess what the other state requires.

Despite differences in culture, lifestyles, patterns, habit, organization culture, and government, a middle ground can be discovered where both countries can reach a satisfiable compromise. Although there would be challenges, with an indisputable contract, wherein Finland will be the country to execute the law, corruption, misunderstanding, and conflicts can be managed to the barest minimum.

While Finland will obtain Iron, coal, oil, and Gas from Nigeria, highly educated business personnel, researchers, Economist, Strategist, specific business know-how, Technology, and IT services will be obtained from Finland by Nigeria. These are possessions the Finnish Country has in abundance. While Finland will be paying for raw materials obtained, Nigeria will be paying for services received. These services to be derived from Finland are requirements to ensure that the Agricultural Entrepreneurship project is successful and well managed.

In the event of successful management of Agripreneurship, Finland can also obtain Agricultural produce from Nigeria at a discounted rate. Skills, knowledge and technical know-how can also be shared between both countries. Successful completion of cooperation between the two countries will provide opportunities for more collaboration between Finland and Nigeria as well as other states and Finland.

Another possible cooperation between Finland and Nigeria will be Solar Energy System. Finland lacks solar energy whereas Nigeria has it in freely and excessively. Therefore,

Finland can teach Nigeria how to convert its natural solar energy into solar power, and in return, Nigeria will share with Finland its saved solar energy.

In conclusion, Agripreneurship will not only ensure that Nigeria has a stable and thriving economy, but it will also increase its balance of trade and payment positively. It will also become another foreign exchange earner for Nigeria. It will provide opportunities for Nigeria to learn from a foreign country not only in business but also economically, Financially, Socially, Politically, Culturally, environmentally and Materially.

With successful Agripreneurship Management, Nigeria will become less of a Nuisance to foreign countries. Nigeria will become dependable, credible, reliable and trustworthy. Finally, Nigeria will also be able to contribute positively to world growth, success, and development. World corruption will be reduced marginally, and Financially, there will be one less country to contend with on its high debt or loan figure.

#### **6.4. Suggestion for Further Research**

Agripreneurship is a new concept that will open the door of opportunities to Nigeria in the future. Due to the lack of credible sources, upon which much could not be written. However, in the future after successive trials and errors, much will be documented, and further research can be done.

Further research is also necessary on the issue of cooperation between Finland and Nigeria. It is not a simple venture as it requires a minimum of five years to see the result. It is a long-term project between two countries with a parallel way of living; therefore, they will be many failures before it can be successful. Further research is necessary to ensure that conflict, miscommunication, and misunderstanding is managed to the barest minimum.

More research is also needed to understand the diverse way of solving the challenges facing Agripreneurship in Nigeria. Nigeria can be likened to a minefield where one misstep

blows all previous progress away. Therefore, before much is done underway, more research is required.

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