

The Adoption of Agripreneurship as a Mitigating Measure to Unemployment in Nigeria: A Topical Review

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Abstract

Agriculture as an enterprise is going through transition globally. It is assuming new shape and scope and no more the ordinary cultivation of crops and rearing of animals or an enterprise for the rural people. The concept of agripreneurship is the combination of agriculture and entrepreneurship. Agripreneurship is the option to adopt in the quest to make agriculture an enterprise of appeal in contemporary business engagements. If agriculture must transit from its largely subsistence status to becoming a competitive enterprise in the assessment of entrepreneurs, incorporation of business concepts in handling issues of agriculture is the way to go. The study was mostly a review work that focussed on using agribusiness to boost job creation, increase productivity and the income bases of farmers. This was considered because a significant number of Nigeria's population are engaged in agriculture and the development of agribusiness and agripreneurship will go a long way in curtailing unemployment that is prevalent in the economy, ensure food security and grow the economy. However, the review noted that this option is faced with various constraints and limitations in the area of experience, access to credit and infrastructure among others. Agripreneurship can contribute to social and economic development, reduction in poverty index, ensure good nutrition and food security. In addition, it will lead to diversifying the economy and income bases, providing employment and entrepreneurial opportunities.

Index terms— agripreneurship, agriculture, enterprise, farmer, employment, economy

1 I. Introduction

In a logical assessment, a nation's economy consists largely of two principal sectors: agriculture and industry. Agriculture to a large extent is rural based and industry bran. According to Price water house Coopers (PwC) (2016), agriculture's contribution to Nigeria's real GDP in the fourth quarter of 2015 was 24.18%. This it reported was due to the introduction of mechanised farming and the agribusiness value chain. The Government encouraged this development in agriculture as a precursor to poverty alleviation through agribusiness aided by investments from commercial farmers. With the fall in the price of crude oil in the international market in recent times, the Government is emphasizing agricultural exports as an Alternative foreign exchange earner. The articulation and introduction of entrepreneurial principles into agriculture will be a strong driver of this programme and improve on what has been achieved so far in the agricultural sector.

Agriculture today in Nigeria is facing challenges that are yet to be addressed such as inadequate infrastructure, difficulty in accessing credit and absence of training for smallholder farmers on opportunities that the enterprise offers among other constraints in modern farming techniques. Mitigating these will assist in improving Nigeria's food security, develop agribusiness, grow the GDP and raise foreign exchange earnings (PwC, 2016). Other challenges are soaring food prices that are technically beyond the reach of the common man, changes in climatic

4 III. FINDINGS AND DISCUSSIONS A) AGRICULTURE AND ENTREPRENEURSHIP

42 systems that have changed patterns of agricultural practices and adaptable crops, rapid urbanisation that has
43 altered production and consumption patterns; the list is endless.

44 These developments have ushered in changes in the food markets, created new opportunities and challenges for
45 the farmers, especially the smallholders. With the recognition of the importance of agriculture in the economic
46 development continuum and growth, market and business oriented agriculture seem to be prominent factors that
47 will introduce dynamism in the enterprise. Agripreneurship then, is a key in this regard (Nwasiwe 2017). The
48 dwindling potential and fortunes of Nigeria's agriculture place urgent need on the development of a system that
49 can support the agricultural sector that is already well constrained by inadequate technologies and institutional
50 weaknesses among others. For the agriculture sector to remain competitive in the global economy, new ideas
51 must be developed and processes for value creation in a sustainable manner devised. (Uneze, 2013)

52 Agriculture as an enterprise is going through transition globally. It is assuming new shape and scope and no
53 more a mere cultivation of crop and rearing of animals or an enterprise for the rural population. Other aspects
54 like value addition, high-tech agriculture, global marketing, organic farming etc. have redefined agriculture
55 (Palanivelu and Madhupriya, 2013). These have led to improved performance of the sector and enhanced human
56 resource development initiative. Many people previously viewed agriculture as an enterprise that is laden with
57 hard work and little profit, this is a misconception. Agriculture is a dynamic enterprise, offering numerous
58 profitable opportunities for engagement along the value chain.

59 Nigeria's Agricultural policy is targeting food security, import substitution to mitigate the massive food import
60 and conserve foreign exchange, job creation and enhancing economic diversification and growth. These objectives
61 can be achieved if we run agriculture as a business and encourage private-sector led engagements as the main
62 objective driver. This commercialization orientation will involve the application of technologies, development of
63 input supply chains, market linkages and financial services that engage the farmers. These are critical to job
64 creation, economic diversity, and sustainable economic growth (Ado, 2017). Therefore, it is of great importance
65 to develop and present agriculture in the context of product development, value addition, and, as a business that
66 is knowledge driven.

67 The addition of business knowledge to agriculture births agribusiness and, the incorporation of entrepreneurial
68 principles into agribusiness have evolved agripreneurship. Therefore, the concept of agripreneurship is the
69 combination of agriculture and entrepreneurship. An agripreneur like an entrepreneur must be able to detect
70 and create business opportunities that he or she can exploit. Agripreneurship is an employment strategy that
71 will ensure self-reliance and economic self-sufficiency. Its development through training is a necessary factor
72 in the promotion of Micro, Small and Medium Enterprises particularly, for the first generation agripreneurs
73 (Nagalakshmi and Sudhakar, 2013). There are numerous opportunities from the farm to-the-table begging to be
74 exploited. Agripreneurs must be determined and persistent, visionary and organized with good management skills.
75 He or she must be an innovator who can initiate changes by developing and serving new markets. Agripreneurship
76 is the profit oriented marriage of agriculture and entrepreneurship; it turns a farm into an agribusiness (Birwa
77 et al, 2014). This presentation aims at enlightening people on agriculture and how to develop and use their
78 entrepreneurial skills to create viable and sustainable profit making enterprises from agriculture over time.

79 2 II.

80 3 Methods and Materials

81 The study was entirely a review one that made use of secondary data that were culled from different reliable
82 sources. It focussed mainly on Nigerian and the place of agripreneurship in the scheme of Nigeria's economic
83 development. Nigeria as a nation is one of the States in the sub-Sahara Africa with a population of more than 180
84 million. Nigeria's economy outside reliance on petroleum is significantly dependent on agriculture with several
85 agri-business opportunities yet to be exploited through agripreneurship initiatives.

86 4 III. Findings and Discussions a) Agriculture and Entrepreneurship

87 An entrepreneur whose main business is agriculture or agriculture-related is an agripreneur (Dobson and Markley,
88 2010). Nassir we (2017) explained Agripreneurship as application of entrepreneurship principles in agriculture
89 and, entrepreneurship as a concept emphasizes the transformation of an idea into a business or, the expansion of
90 an existing or established business. Entrepreneurs from his perception are usually creative people who embrace
91 opportunities and accept risks, changing business strategies to adapt to changing environments. Citing Kahn
92 (2012) the report indicated that entrepreneurs are often innovators. However, in reference to Wongtschwski et
93 al(2013) the study further opined that farmers, while usually being innovative and creative, are often limited
94 by inadequate experiences, access to services, markets, and skills that could engender realistic chances to succeed
95 as entrepreneurs.

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97 Nwassiwe (2017) in Kahn, (2012) also noted that these limitations exclude other barriers and externalities such
98 as economic and social barriers, policies, and regulations. These perceived limitations can be mitigated through
99 a practical application of business principles to agriculture. Referring to an Anonymous writer (2016), the
100 work stated that Agribusiness development will benefit the economy in various ways: it will generate large-scale

101 employment and engage idle human and natural resources, encourage capital formation through the mobilization
102 of idle savings, decentralize economic power and engender equitable distribution of wealth, promote linkages for
103 industrial and economic development and enhance a country's exports.

104 Unite, (2013) posits that the peculiarities of Nigeria's agriculture sector make it very dire for agripreneurship
105 development. Being the mainstay of Nigeria's economy and taking up a significant share of the employment
106 space, agriculture and agribusiness should be treated as an emergency. This then implies that Agripreneurship
107 is a necessity for socio-economic enhancement through creation of agribusinesses, development of agricultural
108 commodities value chains and the overall economic growth. A paradigm shift from agriculture to agribusiness is
109 essential to rejuvenate the Nigerian agriculture with a view to making it a much more attractive and profitable
110 enterprise.

111 Adipose et al (2015) proved this point in their campaign for cassava as a multi-faceted crop, proving that every
112 agricultural crop holds promising features for an enterprising mind. From cassava alone, they were able to develop
113 and show case several products to the rural farmers from the 'ordinary' cassava crop. To the local farmers and
114 business minded participants in the workshop that was organized, that was unimaginable. The table below shows
115 the various products derived and show cased at the workshop from cassava alone. Over eighteen products from
116 cassava alone. Cassava is not isolated in this innovative exploits and neither are its derivatives limited to these
117 only. Cassava is also a raw material in the pharmaceutical companies and the industries. There are several other
118 ancillary products and services that can be developed from the cassava crop alone. Other agricultural products
119 also hold the same feature however underdeveloped or undeveloped. All that is needed is entrepreneurial and
120 inquisitive mind and its application in agriculture which for now is at low ebb in Nigeria.

121 Agriculture is assumed to be a low-tech venture that has limited dynamics and embarked on by smallholder
122 farmers who are less innovative. This however has changed over the last decade because of economic liberalization,
123 reduction in protection of agricultural markets and a fast evolving and critical society. Agricultural firms
124 must take advantage of the changes in the market, consumer habits, environmental regulations, additional
125 requirements for product quality, value chain management, food safety, and so on. These changes have made
126 it possible for new entrants, innovations and portfolio entrepreneurship. (Nagalakshmi and Sudhakar, 2013)
127 An agripreneur must therefore identify opportunities and be innovative. This type of approach to agriculture
128 provides opportunities that will enhance the hitherto unsustainable agriculture practice of mere subsistence. By
129 implication, an Agripreneur has to consider the full range of agribusiness opportunities within the food system
130 such as processing and packaging, logistics and services and even the recycling of agriculture wastes (Carr and
131 Rollin, 2016). Succinctly, agripreneurship is the discovery of new products and services or production processes,
132 strategies and organizational forms, new markets for new products and; inputs that did not previously exist
133 ??Needy, 2011). These activities that are agriculture related have been ignored over the years for very scarce
134 white collar jobs.

135 Ado, (2017) observed that agriculture is the highest contributor to Nigeria's GDP with an estimate of over
136 40% from the colonial period to about 29% presently and followed by services and the petroleum sectors that
137 contributed about 15%. Agriculture therefore is pivotal to the country's economic development and should be
138 properly linked in efforts to rejuvenate the economy.

139 The production of agricultural produce, its distribution and supply provide opportunities for private sector
140 participation. There are several opportunities for agro-industries in farm operations such as production,
141 distribution and supply of inputs like fertilizers and other agro-chemicals etc. There is therefore the need to
142 encourage the local manufacture of inputs hitherto imported from other countries to create jobs. The production
143 and marketing of farm machineries, tools and equipment will provide further opportunities for private sector
144 initiatives (Ado, 2017). Other areas of opportunities are the food processing and marketing sector which are not
145 yet optimally exploited. The agricultural sector still is battling with wastes and losses resulting from inadequate
146 processing and storage. Ado (2017) in Minong et al (2005) identified over a dozen enterprises in Nigeria's
147 agriculture sector. The enterprises identified are: input production and supply, food crop production, fisheries,
148 forestry and commodity processing and storage. Other categories are commodity marketing, manufacturing and
149 agricultural commodity export support services. This list however excludes the cash crop sector that is yet
150 to be maximally exploited. Should this sector be given the attention it demands, the multiplier effect on the
151 Nigerian economy will drastically reduce the index of unemployment, scarcity of foreign exchange that has been
152 a protracted issue in recent times, reduce the statistics of food insecurity and grow the economy.

153 Carr and Rollin (2016) in UNCTAD (2015) have noted that there are challenges to the development
154 of Agripreneurial culture in developing countries such as inadequate information, limited skills, insecurity,
155 inadequate resources and infrastructure among others, with these, it is difficult to establish successful commercial
156 enterprises. The need for effective policies was also emphasized to promote small-scale agriculture and non-
157 agricultural sectors.

158 Nevertheless, an agripreneur like an entrepreneur must possess some innate qualities to conquer these challenges
159 and make a success. He or she must be proactive, persistent, visionary with strong management and organizational
160 abilities must be innovative and creative. ??Needy, 2011). These can be learnt by training which provides the
161 requisite information, experience and knowledge that will aid better decision making. They can be acquired
162 through formal institutions or informal avenues such as public lectures, field work and demonstrations, workshops,

163 seminars etc (Tripathi and Agawam, 2015). The figure below shows some necessary skills the agripreneur must
164 be equipped with to be competitive and successful as presented by Tripathi and Agarwal (2015).

165 5 Category

166 Underlying). How can this be achieved? Agriculture can create wealth along the value chain through production,
167 value addition, and export of processed or unprocessed goods among others. In the value chain, there are
168 many areas in agriculture that entrepreneurs can exploit in on-farm and off-farm activities. The on-farm
169 activities include production, processing (feed and seed processing), farm input manufacturing, and agro service
170 ventures. Off-farm ventures will include agric-tourism entrepreneurship (Uneze,2013) and other service areas
171 like transportation, storage and packaging, workshops and service centres for the maintenance of agricultural
172 implement in the agriculture value chain among others (Birwa et al 2014). Post-harvest technology like processing,
173 packaging and storage will stabilize food production and ensure against excessive dependence on food imports
174 ??Ado, 1997) even as it creates more openings for employments.

175 In Nigeria, the economic benefits of many agricultural products are not yet optimized. This is because of
176 limited knowledge of value addition. Others are inadequate technologies, poor infrastructure and inconsistent
177 government policies. This has created two basic key agricultural gaps in Nigeria: the inability to meet domestic
178 food requirements and the inability to export quality products required for market success (Ado, 2017). Value
179 addition should increase the economic value and consumer appeal of an agricultural commodity. The report
180 submits that value addition technologies include processing and preservation, dehydration and drying, freezing,
181 packaging, labelling, etc. and emphasized that it is important to be innovative in farming and agric-food
182 processing because these are prerequisites to remain competitive. ??Ado,2017). Technological innovation will be
183 a catalyst to boost productivity and growth in the agribusiness sector (PricewaterhouseCoopers (PwC, 2016).

184 Though there abound agripreneurial opportunities in the value chain, Nib et al ??2016) observed that some
185 factors constrain rural farmers from becoming agripreneurs. These constraints the study categorised into socio-
186 cultural, knowledge-base, and economic using what was described as the Kaisers rule of thumb as applied by Nib
187 and Koori in which any of the identified factors that loads 0.4 and above implied influence on agripreneurship
188 drive. The weights of the identified limitations/influences are shown in the table below. The identified economic
189 factors that constrained rural farmers from becoming agripreneurs included high interest rate on loan, high
190 competitive market, poor returns to agricultural investment, and inadequate access to loan. The table may
191 not be exhaustive in its content. However, the factors outlined affected aspects of agripreneurship drive and
192 any factor that may be impacting agripreneurship is a potential threat to the value chain. Land tenure system
193 and technical knowhow in various categories were also seen to exert some influences on agripreneurship and by
194 implication the value chain. Needy (2011) has outlined major agricultural products and classified them into four
195 broad groups: foods, fibbers, fuels, and raw materials. Other useful products produced by plants include resins,
196 dyes, drugs, perfumes, bio fuels and ornamental products such as cut flowers and nursery plants. This can lead
197 to the development of sustainable and well-serviced markets and maintain a viable raw material supply chain.
198 Nib et al (2016) in the table below showed some agripreneurship opportunities that exist in the value chain in
199 few selected agricultural products and the level of participation in Ebony State, Nigeria.

200 6 c) Agripreneurship and Employment Generation

201 To encourage and enhance economic growth and development, the Indian government sometimes ago initiated
202 and pursued a growth and development policy plan that encouraged entrepreneurship and selfemployment. The
203 Nigerian government in principle has severally towed the same pathway. However, the initiative was riddled with
204 inconsistencies, inadequate articulations and frequent policy truncations as regimes come and go. To transit
205 from paid employment to selfemployment has been an important agendum in the economy of many developed
206 nations. To be self sustaining economically, individuals must transit from paid employment to self-employment
207 (Palanivelu and Madhupriya, 2013). Nigeria is in a good position to encourage this transition using agriculture
208 as the launch pad because a significantly large number of the population are engaged in the agriculture sector
209 already. The transition may not pose serious problems if agribusiness is positioned to take up the challenge.

210 With the rise in unemployment and poverty in Nigeria and limited economic growth options in other sectors,
211 there is need to develop entrepreneurship in agriculture to create jobs, raise productivity and grow the economy
212 since for now, agriculture employs the highest amount of labour in the country and sustainable opportunities
213 outside agriculture are limited. The application and practice of entrepreneurship in agriculture will generate
214 a wide range of benefits such as increased productivity, development of new agribusiness ventures that will
215 lead to Job creations, innovations in products and service delivery, and increases in wealth (Birwa et al 2014).
216 Agripreneurship can contribute to social and economic development in the areas of reduction in poverty index,
217 good nutrition and food security in the economy. In addition, it will lead to diversifying the economy and income
218 bases, providing employment and entrepreneurial opportunities.

219 Anon (2016) in Ado (2017) noted that the ban on importation of certain agricultural products are opportunities
220 for additional investment by the private sector however, Nigeria still imports what it can comfortably and cheaply
221 produce impacting negatively the employment status of the country. Greater opportunities are wasting in the crop
222 sector where the blends of products that can be generated are limitless. According to the report, investors can

223 produce for special markets by just changing the form of a commodity before marketing, change the packaging
 224 and labelling for the market etc. thus; Value addition can create jobs which are critical needs in tackling
 225 unemployment at this moment of economic recession.

226 7 IV. Conclusion

227 In Nigerian for now, Agripreneurship is a need to make agriculture attractive and a life line for the economy.
 228 Nigeria's present economic experience calls for diversification and a paradigm shift from petroleum based economy
 229 and its attendant negatives. Real sector growth like agriculture should be supported to boost employment,
 230 reduce poverty and food insecurity. Apparently, there is huge scope for entrepreneurship in agriculture that
 231 can be tapped. Agripreneurship will provide direct employment and income to a large section of the populace.
 232 Agripreneurship outside offering opportunities is also a necessity to improving agricultural productivity and
 233 trigger the growth of allied sectors

234 8 V. Recommendation

235 Nigeria must in the quest for economic development and diversification make agriculture the fulcrum of industrial
 236 take off. Enabling environments must be created by the government that effect and focus should be on mitigating
 the constraining factors against agriculture and entrepreneurship development.

1

Source	Derivative of product	Remark
	High quality flour	Baking raw material
	Toasted granules(garret)	A popular dish
	Odourless cassava paste(fife)	A popular dish
	Cassava chips	A processing raw material
	Tapioca	Snack
	Starch	Edible/ used in textile industry
	Cassava/wheat rolls	Snack
	Cassava/wheat chin	Snack
Cassava	Cassava flour cookies	Snack
	Cassava strips	Snack
	Cassava flour doughnuts	Snack
	Cassava threads	Snack
	Cassava short crust pastry/ pan cake	Snack
	Cassava croquettes/ meat balls	Snack
	Cassava crisps/fritters	Snack
	Cassava bread/meat	Snack
	Cassava meat cake/French fries	Snack

Source: Adipose et al, 2015

Figure 1: Table 1 :

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Source: Nib et al, 2016

Figure 2: Table 2 :

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Source: Nib et al (2016)
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Figure 3: Table 3 :

agricultural product whether plants or animals, there exist several agripreneurship opportunities to be developed. In the report, Nib et al(2016) however posited that the agribusiness environment was diverse with many opportunities and if fully exploited will usher in growth in the agricultural sector.

Variable	Factor 1	Factor 2	
Socio-cultural	Socio-cultural	Knowledge base	
Land tenure system	0.558	0.225	0.15
High interest rate on loan	0.023	-	0.73
		0.055	
Lack of investment infrastructures	0.832	0.039	0.22
Lack of technical know-how	-	0.508	0.00
	0.006		
Language barrier	0.216	0.119	-
			0.13
High competitive market	0.042	0.212	0.48
Poor policy recommendation	-	0.024	0.08
	0.114		
High rate of disease and insect infestation	0.129	0.154	0.37
Poor return from agricultural investment	-	-	0.45
	0.002	0.079	
Poor training by extension agents	0.006	0.670	0.00
Lack of access to research results	0.075	0.946	0.05
Lack access to loan	0.114	-	0.75
		0.069	
Poor access to education	0.093	0.025	0.02
Agripreneurial Components	Opportunities/investment areas		Frec
	Agro chemicals		19
Farm input supply76(63.33)	Breeding stock(plants & animals)	Farm implements	28 5
	Veterinary services		7
	Arable(& cash) crops		74
Farm production 97(80.83)	Livestock		43
	Fisheries		16
	Roots and tubers		47
Farm processing/Distribution 64(53.33)	Cereals		24
	Nuts/legumes		15

Figure 4: G

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