ENTREPRENEURSHIP AND HUMAN CAPITAL DEVELOPMENT IN THE NIGER DELTA AREA

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Abstract
Entrepreneurship is a concept that has been widely discussed in academic and industrial fora, especially when issues that bother on a developing economy are mentioned. In this paper we focus on the role played by entrepreneurship in driving economic performance using human capital development as its epicenter in our region of study. The focus on this region is because many of the analytical frameworks and research over the last two decades and assumptions for entrepreneurship policy have been in favour of this region. Human capital development also has become a global issue as a result of the recent economic recession in various economies of the world. Developed and developing countries now emphasize on entrepreneurship as one of the panaceas for human capital development. A relationship has been identified between entrepreneurship and human capital development in the Niger Delta area of Nigeria as a way of propping up the economy in view of the fact that oil exploration and exploitation has crippled the local economy. This study therefore examines the link between entrepreneurship and human capital development using the Niger Delta area of Nigeria. It was found out that the entrepreneurship strategies have positive effects on human capital development in the area.

INTRODUCTION
In the recent time, the Niger Delta area of Nigeria has become increasingly famous and to some people notorious, not due to oil deposits but due to constant violence in the region occasioned by loss of means of livelihood, environmental degradation, poverty and diverse problems which have affected the region. Estimates show that Nigeria generates over 90% of its revenue from this region, and yet the region is characterised by underdevelopment (Ikein, 2009). The unfortunate situation is that the region, despite the huge revenue it attracts to the nation remains underdeveloped.

The high rate of unemployment among the youths in the Niger Delta region is as a result of least performance, aggravated by loss of skills and low human capital development. This has helped to drive and sustain high levels of violence and criminality throughout the region. Whenever a group of people perceived injustice, and a large number of people are living in poverty, achieving sustainable development becomes a problem. This is the situation in the Niger Delta region in Nigeria. Today, there is increasing spate of kidnapping, armed robbery, assassinations, politically motivated killings, bombing, and corruption. This has increased the level of challenges to sustainable human capital development in the region. These problems have been necessitated by nonchalant attitude of both the government and oil companies in the region. It is therefore expected that situations in this region can be improved and ameliorated by improvement on human capital development and entrepreneurial skills, ability and capability of the people.

CONCEPT OF ENTREPRENEURSHIP:
Entrepreneurship can be defined as the process of using private initiative to transform a business concept into a new venture or to grow and diversify an existing venture or enterprise with high growth potential. Entrepreneurs identify an innovation to seize an opportunity, mobilize money and management skills, and take calculated risks to open markets for new products, processes and services.

Entrepreneurship development refers to the process of enhancing entrepreneurial skills and knowledge through structured training and institution-building programmes. It aims to enlarge the base of entrepreneurs
in order to hasten the pace at which new ventures are created. This accelerates employment generation and economic development. Entrepreneurship development focuses on the individuals who wish to start or expand a business. Furthermore, entrepreneurship development concentrates more on growth potential and innovation.

This concept has been widely discussed in academic and industrial fora, especially when issues that bother on a developing economy are mentioned. Such discussions are most often premised on the understanding of entrepreneurship in the views of Schumpeter (1950) that entrepreneurship forces across markets and industries create new products and business models which also advance the society.

Many definitions abound just as there are many scholars who attempt to portray what each considers crucial to the appreciation of the subject. According to Essien (2007), Entrepreneurship is the totality of those attributes that enable a person to identify latent business opportunities along with the capacity to organize needed resources with which to profitably take advantage of such opportunities in the face of calculated risk and uncertainty. Entrepreneurship therefore is about passion and perseverance, risk taking associated with uncertainty. Binks and Vale (1990) acknowledge how difficult it is to have a universally accepted definition of entrepreneurship. According to these authors, the definition of entrepreneurship is often difficult and tricky, especially as new venture fails. Essien (2006) notes that the definition of entrepreneurship is somewhat complicated by the different emphasis placed by different scholars on what each considers crucial to the appreciation of the subject. For Frank and Knight (1967), and Drucker (1970) the act of entrepreneurship is often associated with true uncertainty particularly when it involves bringing something really novel to the world whose market never existed in a desired form. Some contemporary writers like Reiss, 2004 and Dollinger, 2006) define entrepreneurship to reflect the current changes in the business environment. They argued that entrepreneurship is concerned with the creation of an innovative economic organization for purpose of gain or growth under conditions of risk and uncertainty.

In the views of Chinitz (1961) entrepreneurship is widely seen as an important driver of human capital development, employment and innovation. The links between entrepreneurship and jobs, incomes, employment and population have shown to play a role in shaping economic policies affecting both urban and rural areas. For Glaeser et al. (2010) entrepreneurial activity represents actions by individuals and specialization which operates mainly within a specific industry and affects the quality of human capital development.

ENTREPRENEURSHIP EMPOWERMENT

It has been established that the collapse of the former viable economy of the Niger Delta region was mainly caused by the oil and gas exploration and exploitation activities of Multinational Companies. This is evidenced by the high incidence of poverty, unemployment, insecurity and violence that is easily identifiable in the Niger Delta region. These oil and gas exploitation and exploration activities have rendered the general environment agriculturally and economically unproductive thereby compelling the people to an alternative means of livelihood to combat the poverty and unemployment menace. One of the possible alternatives and remedy for the loss of jobs and skills for the people in this region is for the government and oil and gas companies to collaborate and embark on an entrepreneurship empowerment scheme. This will create opportunities for gainful employment for the people of this region especially their youths who have become violent and taken to social vices.

The entrepreneur pioneers new business ideas, bears risk and sources human, financial, natural and technological resources to produce goods and services and managing them profitably to the satisfaction of customers. Entrepreneurs usually need only a moderate amount of capital to start and meticulously nurture its growth to maturity. This is the reason they are usually referred to as small and medium scale enterprises (SMEs). SMEs are potent catalyst in the economic growth and development of their host communities and countries in general. There is a strong correlation between economic growth and development and the
viability of SMEs (entrepreneurs) in any region or country. This is as a result of the fact that SMEs are labour intensive and always creating several thousands of job opportunities annually. The huge returns recorded by SMEs has largely facilitated and enhanced easy access of aspiring entrepreneurs to credit facilities at moderate interest rates (World Bank, 2006).

HUMAN CAPITAL DEVELOPMENT
The concept of capital has gradually been broadened over time. In the 1950s, emphasis was on physical capital accumulation and its contribution to economic growth. In the 1960s and 1970s, the notion of human capital shifted to investment in education and the quality of labour were seen as important as investment in physical capital goods. Social capital originates in sociology and forms an interesting bridge between the disciplines of economics and sociology. It refers to social resources that can be drawn upon in the process of entrepreneurship and production and draws attention to the role of the entrepreneur in modern economic production function.

Human capital development involves providing opportunities for all citizens to develop to their fullest potentials through education, training and motivation as well as creating the enabling environment for everyone to participate fully in national development. It is thus defined by Meir (1995) as the improvement of human resources concerned with the two-fold objective of building skills and providing productive employment for non-utilized or under-utilised manpower. It also helps in capacity building and helps create conditions that enable people to derive maximum benefits, involves developing competencies to enable people to make things happen.

Any effort to increase human knowledge, enhance skills and productivity and stimulate resourcefulness of citizens is an effort in human capital development. It also includes expenditures in educational and training institutions, health facilities, adult functional literacy, vocational and skills acquisition programmes, information and communication technologies as well as in research and development. The quality of a nation’s development depends on the quality of its workforce. Human capital development is also a means of enhancing the skills, knowledge, productivity and inventiveness of people through a process of human capital formation as it is a people-centered strategy, and production centered strategy of development.

Okojie (1995) opines that the concept of human capital development refers to the process of acquiring and increasing the number of persons who have the skills, education and experience that are critical for economic growth and development of a country. Human capital development is not limited to formal education only but also includes experience, practical learning that takes place on the job, as well as, non-traditional technical training regimes that enhance skill development. It impacts on productivity, employment, income generation and standard of living. By implication it leads to improved capability, stimulates resourcefulness, enhances human life and ultimately reduction in poverty. The more a nation or region has knowledgeable, skilled and resourceful individuals the higher the value of the human capital of that nation.

Entrepreneurship empowerment and human capital development in the Niger Delta entails giving the youths an opportunity to acquire relevant entrepreneurial skills in desired commercial or business undertakings to manage and own their Small and Medium scale Enterprises. Acquiring relevant entrepreneurial and managerial skills could be in the form of on-the or off-the job training. It could be in ways of workshop/seminars and through apprenticeship schemes.

Gainful employment may be available for the skilled and educated youths. Possession of relevant skills and education are often viewed as key factors in the suitability for a job. To this end, government in collaboration with oil Companies could set up vocational and technical centres or sponsor the youths to short or long term courses or training in order to acquire relevant skills and knowledge to make them employable.

LITERATURE REVIEW
Entrepreneurship, growth theories and integrated economic units have witnessed a revival of interest in the role they play in regional and national economies (Stam 2014). The study by Lucas (1988) tests the role of entrepreneurship and human capital and skilled-workers. He insists that more diverse metropolitan areas increase the size of the local labour force, reduce the cost of information flows, create knowledge spillovers and support growth. This context transforms entrepreneurship into human capital and economic development. In their study, Bosma and Sternberg (2014) proposed that urban entrepreneurship is not seen as exogenous, but a purposeful activity demanding real resources, including time. Regional economics and entrepreneurship focuses on the dynamics of entrepreneurship with time as an important dimension of growth. Entrepreneurship is often seen as a conduit for creativity while human capital and knowledge are seen as spillovers.

In a study of factors that influence entrepreneurship growth and development several theories were developed from different authors. In the study, the researchers based their investigation on three of such theories, namely resource-based entrepreneurship theories, anthropological entrepreneurship theory, and sociological entrepreneurship theory. These theories have been discussed exhaustively by Davidson & Honing (2003). The Resource-based theory of entrepreneurship argues that access to resources by a would-be entrepreneur is an important factor that influences new venture growth. According to Alvarez & Busenitz (2001), this theory emphasized the importance of financial, social and human resources. This therefore implies that access to resources enhances the individual’s ability to detect and act upon discovered opportunities. The anthropological entrepreneurship theory considers the social and cultural contexts. This means that culture of the people influence the business of the people. This theory addresses the cultural aspect of the socio-cultural factors considered in the study of the Niger Delta region. The sociological theory is the third of the major entrepreneurship theories. This theory focuses on the analysis of the traditional society. One of the context that this theory is addresses is the challenges of entrepreneurship growth and development is the political system, government legislation, customers, employees and competition.

In his study, Ibeanu (2006) examined the extent to which the local content policy has impacted on human capital development and sustainable business performance in the Nigerian Oil and Gas Industry, following the enactment of enabling legislation. Primary data were employed, which were obtained through the administration of structured questionnaire to purposively selected oil servicing companies in Niger Delta.

Dialoke and Justice (2017) in a study focused on the effect of regional agitation for resource control on human capital development with reference to Niger Delta Region of Nigeria. The study sought to ascertain the effect of regional agitation for resource control on human capital development in the Delta region and the relationship between human capital development efforts of the federal government and the economic growth of the region. Using Pearson Product Moment Correlation and Multiple Regression Analysis they analysed the data obtained from the field randomly selected from oil producing communities in Abia, Akwa Ibom and Rivers State.

In a study centered on critical analysis of the manner in which oil exploitation is conducted in the Niger Delta Region, Akuodu (2011) focused on content analysis. It was found that oil exploitation in the Niger Delta overtime has been wrongly fashioned and confirms the position of the Niger Deltans on deprivation, alienation, marginalization and neglect. It also ascertained the justification of the crises condition of the people in the area due to idleness and poverty amidst the oil wealth. As a result of the negativity recorded in human capital and infrastructural development of the Niger-Delta and particularly oil host communities they have resorted to kidnapping oil workers, pipe-line vandalisation, militancy/insurgency, inter/intra communities civil strife among other deviant social vices.

Akeem (2010) examines amnesty and human capital development agenda, using content analysis of relevant secondary data. He observes that the paltry financial rewards granted to ex-militants are incomparable with huge amount of money they realised illegally. Thus, a resurgence of violence occurs frequently in the region.
and can only be abated when the undesirable socio-economic situations that fuel militancy are addressed and they include entrepreneurship and human capital development. He insists that while amnesty is a good step towards peace building in the region, a holistic approach to human capital development must be taken to compliment it.

Aluko and Aluko (2012) in their study of Human Capital Development in Nigeria opine that Human capital planning is getting wider attention with increasing globalization and also the saturation of the job market due to the recent downturn in the various economies of the world. Developed and developing countries devote more time and efforts on human capital development towards accelerating the economic growth. Thus human capital development is one of the fundamental solutions to enter the international arena. The paper examines arguments for why highly planned and developed human capital will be the source of comparative advantage in the twenty-first century in the Niger Delta economy and globally.

In the views of Odimegwu, (2005) human capital development includes those attributes of individuals that contribute to their ability to earn a living, strengthen community, and otherwise contribute to community organizations, to their families, and to self-improvement. Amaefule & Teerah (2011) in their study stated that human capital development has the capacity to enlarge people’s choices and opportunities, improve healthy living through acquired skills and knowledge and eventually enhance growth in the nation’s gross domestic product through increased productivity.

**NEED FOR HUMAN CAPITAL DEVELOPMENT**

Environmental degradation is the main cause of loss of trade, craft, land and other means of livelihood in the *Niger Delta region*. The technological processes of converting natural resources into energy and goods lead to the creation of waste products and the capacity of the environment to hold such wastes without changing its physical or chemical composition is limited (Oludoro, 2003). This is the case of the Niger Delta and its environmental degradation and deterioration using the Koko district of Delta State as typical. Environmental degradation is as old as oil exploration and exploitation in the region. It is associated with declining environmental quality and manifested by various forms of pollution of air, land and water. According to Akoroda (2000) the quality, size, shape of traditional staples such as cassava, yam, plantain etc are adversely affected by the continuing forage for oil without the requisite Environmental Impact Assessment (EIA). It is wise to note that oil exploration is a veritable source of soil infertility. To this effect, all that have lost their skills need to be trained and retrained in other skills to meet up with and close the generational gap.

Environmental degradation can be in various forms including Gas flaring. This causes health problem, reduces crop yield and creates acid rain which eats away corrugated iron roofs in the area. Such an environment is faced with sharp increases in air and water pollution, land degradation, drought and wildlife losses. Oil production in Nigeria for over 45 years has been with the flaring of natural gas which is done routinely in the course of producing and processing oil. It is a means of disposing of waste gases through the use of combustion to the detriment of the inhabitants and their environment. However, the case of Niger Delta attracts more attention given the volume of gas flared since the beginning of commercial oil production in the country. In some advanced countries like in Canada, in 1996 about 92 per cent of gases were conserved and the remaining eight per cent was flared. This responsible attitude towards gas conservation is demanded partly by environmental requirements in Canada and other advanced countries. This does not apply in the Niger Delta region of Nigeria. Spillages can occur at any stage in oil industry operations and the big disasters attract a lot of attention while the small ones occur at all times. Causes of crude oil spills can be classified into equipment failure, sabotage, human error, erosion, blow-outs, engineering and technical errors, natural causes, acts of third parties, erosion and accidents. Soil erosion is a disastrous form of environmental degradation which can be caused by different geological, climatic and soil conditions.

All these environmental problems have led to loss of means of livelihood, trade and degradation of human capital. For these people to survive, they have to look for other means of livelihood for sustenance. This can
be done by training, retraining and developing other facets of human capital which can help in the sustainability of the people.

CONCLUSION

Our findings indicate that entrepreneurship in the Niger Delta region is at its lowest ebb. This implies that a number of practicing and upcoming entrepreneurs are faced with great difficulties in their entrepreneurial pursuit. Yesufu (2000) opines that the essence of human resources development is one way of ensuring that the workforce is continuously adapted for, and upgraded to meet, the new challenges of its total environment. This is indicative of the fact that those already on the job require retraining, reorientation or adaptation to meet the new challenges. Adamu (2003) in his study insists that human capacity can be acquired and developed through education, training, health promotion, as well as investment in all social services that influence man’s productive capacities.

Our findings reveal that Niger Delta youths who have become vulnerable, were mostly compelled by poverty, unemployment and frustration to resort to organized crime and violence as legitimate means of survival. They are ready or willing to accept entrepreneurial empowerment and gainful employment in other to earn legitimate livelihood. These vulnerable youths are willing to allow or accept their productive capacities to be developed to transform them into responsible components of the civilized society, who can make meaningful social and economic inputs that are capable of resuscitating the Niger Delta economy.

In all there exists a significant negative relationship between infrastructure, management problems, finance and the growth of entrepreneurship in the region. This shows that if infrastructural, management and financial problems decrease entrepreneurship growth in the Niger Delta region of Nigeria will increase. This, in part, accounts for the poor state of socioeconomic wellbeing in the region, since almost everyone wants to work in oil companies and the multinationals, forgetting that with entrepreneurship their lots could be better off than with multinational/white color jobs. These findings confirm Monday (2015) and Udechukwu (1987) studies that the presence of Multinationals has bereft an average Niger Deltan of any entrepreneurial spirit and mindset, thereby making them totally dependent on oil at the expense of their socioeconomic wellbeing. Analyses on the effects of new business formation on urban economic development suggest that new business formation which is a form of entrepreneurship may significantly improve economic development with the direct effect being positive and statistically significant for cities with both small, medium and large market sizes. Such direct effects show a considerable dynamic and magnitude overtime between smaller and larger economies. There should be support for the effectiveness of entrepreneurial start-ups to achieve higher economic development in the Niger Delta region which has higher market size.

The result however, placed finance as significant factor of all challenging factors to the growth of entrepreneurship in Nigeria and by extension the Niger Delta Region. The implication of the disparity between respondent’s intuition and result of empirical test of their opinion on finance is that, they have underestimated the influence.

RECOMMENDATIONS

The government should design programmes to encourage the development of entrepreneurial awareness, skills and competitive capacity. The programme must involve intensive, non-formal training of existing and prospective entrepreneurs in the Niger Delta region. These measures, if implemented are hoped would adequately address the problem. Efforts and policies should be shifted to addressing these impediments especially inadequate and deteriorated state of infrastructural facilities which is at the cradle of any meaningful advancement in entrepreneurship. These would include developing policies and directing effort at ensuring relatively stable power supply, upgrading and expanding roads, providing security, etc.

The following recommendations are therefore considered necessary:

i. Appropriate authorities should embark on measures aimed at making opportunities available for entrepreneurship empowerment to the youths in the communities.
ii. Specialised vocational and technical centres to train up the people of the area to make them more skillful, self reliant and employable.

iii. Regular business and entrepreneurial seminars and workshops should be organised to avail vulnerable Niger Delta youths opportunities to gain relevant skills to help them manage their enterprises.

iv. Rural development programmes such as Entrepreneurial Skills Development (ESD) and institutions such as Small Business Development Centers (SBDC) be instituted to tackle the impediments to entrepreneurship in the region.

v. It is also recommended that policies that would grant entrepreneurs access to money and capital markets’ funds should be instituted.

vi. There should be concerted efforts to increase investment in entrepreneurship of the youths of the area by the oil companies. This will no doubt keep the youths out of the streets and trouble as they will now be busy.

CONCLUSION
Nigeria’s entrepreneurialship and human capital situation is however inadequate. This therefore calls for the renewed interest on the issue in the amnesty granted to militants in the region. The challenges of meeting human capital development in Niger Delta can be appropriately addressed by improving entrepreneurial activities with an assessment and identification of existing gaps and shortcomings.

This study corroborates the fact that human resources constitute the ultimate basis for the wealth of nations. Capital and natural resources are passive factors of production, while human beings are the active agents who accumulate capital, exploit natural resources, build social, economic and political organization, and carry forward national development.

REFERENCES
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