



ENTREPRENEURS IN THE ECONOMIC DEVELOPMENT OF THE NATION

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ABSTRACT

Entrepreneurs are the movers of economy. Many literatures have confirmed that entrepreneurs are the prime movers of the nation's economy. Through their private industries and establishment, they have created numerous job opportunities that have reduced unemployment and poverty. They have also generated money or revenue to the government through taxes and other related revenues. This paper looks at some notable entrepreneurs in Nigeria and their role in the economic growth of the nation.

Keywords: *Entrepreneurship, Economic Development, Nation Building, Small and Medium-sized Enterprises (SMEs), Innovation, Job Creation, Economic Growth, Startups, Wealth Creation, Government Policy*

INTRODUCTION

Private industries, cooperate organizations and agencies established by individual entrepreneurs and groups have contributed immensely and are still contributing to the growth of Nigerian economy. Most of these private establishments find their way into manufacturing, importation and exportation of goods, maritime administration, constructions, hospitality management, to mention but a few. Although this private sector can be grouped into small, medium and large scale businesses, there are major movers of the economy under this sectors. In Nigeria, there are privately owned establishment that have found their way into cement manufacturing, car manufacturing, lubricant production, importation of high quality products: battery production, vegetable oil production, etc. These companies have contributed maximally to improving economic growth of the country as well as help the government to reduce unemployment.

Notable among these entrepreneurs include Aligo Dangote of cement industry and allied products manufacturing, Chief Innocent Chukwuma of car manufacturing, G. I. Okafor of foam manufacturing, Dr. Anthony Obiagbaoso of Lubricant production, Chicason Group of Companies, Chief Cletus Ibeto Group of Companies, etc. These industrialists have painstakingly developed their entrepreneurial skills to form a conglomerate companies. These are the entrepreneurs.

WHO IS AN ENTREPRENEUR?

An entrepreneur is one who undertakes to start and conduct a business, assuming full control and risks. An individual who initiates and nurses to growth a new and ongoing business where none existed before is an entrepreneur. He is a catalyst for economic change.

An entrepreneur plays a key role in any economy using the skills and initiative necessary to anticipate needs and bringing new ideas to the market. Those that prove to be successful in taking on the risks of creating a start up is rewarded with profits, fame and continued growth opportunities. Those that fail result in losses. Entrepreneurship is highly risky but also can be highly rewarding as it serves to generate economic wealth, growth and innovation. Entrepreneurs are catalysts for economic change.

LITERATURE ON THE RELATIONSHIP BETWEEN ENTREPRENEURS AND ECONOMIC GROWTH

Asogwa (2017) Entrepreneurship is the manifest ability and willingness of individuals, on their own or in teams, within and outside existing organizations, to: - perceive and create new economic opportunities (new products, new production methods, new organizational schemes and new product- market combinations) and to — introduce their ideas in the market, in the face of uncertainty and other obstacles, by making decisions on location, form, and the use of resources and institutions. Entrepreneurship is "at the heart of national advantage" (Porter. 1990,). It is of eminent importance for carrying out innovations. Afolabi (2015) believed that entrepreneurship is beneficial for economic growth and development. Entrepreneurship has been remarkably resurgent over the past three decades in countries that achieved substantial poverty reduction according to Maude, (2013) in Afolabi 2015. In the 1980s, stag inflation and high unemployment caused a renewed interest in supplying side economics and in factors determining growth. Simultaneously, the 1980s and 1990s have seen a revaluation of the role of small firms and a renewed attention for entrepreneurship. In fact, understanding the role of entrepreneurship in the process of economic growth requires the decomposition of the concept of entrepreneurship (Wennekers & Thurik, 1999). Afolabi is of the opinion that entrepreneurship and economic growth are

very closely and positively linked together. Asc (2006) and Ahiauzu (2010) assert that there is a positive relationship between entrepreneurship and economic growth while Henderson (2007) explained that entrepreneurship is increasingly being recognized as a primary engine of economic growth. By combining existing resources with innovative ideas, entrepreneurs add value through "the commercialization of new products, the creation of new jobs, and the building of new firms. The Global Economic Monitor indicated that nations with higher levels of entrepreneurial activity enjoy strong economic growth. In short, entrepreneurs are the link between new ideas and economic growth.

Furthermore, Naude (2013) posited that entrepreneurship will contribute to growth and employment creation in advanced, emerging and least developed economies.

Entrepreneurship is an energizer in the development of any nation because they open doors to progressively higher levels of economic growth. They are the veritable backbone on which the world and modern ideas continue to develop. According to Ebiringa (2012), Entrepreneurship development heretofore has been proven to be a catalyst of a sustainable economic growth of any nation. Asogwa (2017) asserts that the dynamic economic conditions of the world today need flexible individual with entrepreneurial value, attitude and mental capacity for creative thinking and innovation.

Hisrich,(2012) sees entrepreneurship as a process of creating "something new of value by devoting the necessary time and effort, assuming the accompanying financial, psychic and social risks, and receiving the resulting rewards of money and personal satisfaction and independence. In the same vein, Udu (2008), argues that entrepreneurship is a process by which economic and commercial activities necessary for the improvement of the standard of living of the society are created by entrepreneurs- individuals, corporation, institutions and government. Mustapha, (2013) sees entrepreneur as the organizer whose input gave value to the other resources when combined in the production process. Schumpeter (2013) emphasized the role of the entrepreneur as innovation and technical change- i.e. the introduction of new combinations of factors in new process or for new output.

In looking at the role of the entrepreneurs in the economic development of a nation I will like to examine the contribution of the following entrepreneurial gurus in Nigeria. Some of them include:

(1) ALHAJI ALIKO DANGOTE

Alhaji Aliko Dangote is a Nigerian billionaire Business magnate. He is the founder and current chairman and CEO of the Dangote Group, the largest industrial conglomerate in West Africa. Dangote produces cement, oil, and other commodities such as sugar. He founded Dangote cement, and is the continent's largest cement producer. He sees opportunities for everyone to invest in Africa

With a small loan from his uncle, Aliko Dangote started his business career as a cement trader in 1977 after completing college. In

1981 he formally incorporated the business which eventually became Dangote Group. He soon diversified and began trading essential items such as sugar, flour, fish, rice, milk and iron. During 1990s he began shifting focus from trading to manufacturing to meet to growing demands of consumers in Nigeria. In 2000, he acquired Benue cement Co from the Nigerian government and subsequently entered the cement manufacturing business and is today the continent's largest cement producer. Currently, Dangote cement has a presence in

10 countries in African and is the largest cement producer in sub-Saharan region of the continent. Today Dangote's business Group is the largest conglomerate in West Africa, with a presence in 17 African countries. Dangote also has interests in agricultural and food products, transportation, steel, fertilizer, real estate, and more.

The Dangote oil refinery which is currently being constructed at a cost of \$12 billion, is expected to become one of the largest oil refineries in the world when completed.

An active philanthropist, he made an endowment of \$1.25 billion to the Dangote Foundation in 2014 to support its work in the areas of health, education and economic empowerment.

He has collaborated with the Bill Melinda Gates Foundation and has become a part of Bono's Group, ONE to help in the eradication of poverty, malnutrition and polio.

All his groups publicly traded companies combined account for one third of the total market capitalization in the Nigeria stock Exchange. Alhaji Dangote is the 67th richest person in the world with a net worth of \$20.7 billion.

(2) CHIEF (DR) CHIKA ALEX OKAFOR

Chief (Dr) Chika Alex Okafor (OON) is the founder and the Executive chairman of Chicason Group of companies. This Nigerian billionaire is the top 10 Igbo Business Moguls shaping Nigeria's Economy. The mother company of his group started in 1981. The group has expanded to include in a number of business activities in oil and gas exploration, production and sales of petroleum products, manufacturing and mining. The group also includes operations in real estate project management, agriculture, travel/tourism, healthcare and construction.

Alex Okafor ventured into manufacturing in 1988 when he set up a vegetable oil refinery factory-Resources Improvement and manufacturing Ltd (RIMCO). The company runs a fully integrated operation from vegetable oil refining to solvent extraction and animal feeds production. It refines palm oil into vegetable oil and extracts and refines palm kernel oil.

Chief (Dr) Alexander Chika Okafor (OON) is an accomplished Entrepreneur and founding Executive Chairman/CEO of Chicason Group (a conglomerate of over 20 subsidiaries with interest in oil and gas mining; manufacturing, Real Estate grading-Import, Export and Agriculture). He is a recipient of 2 prestigious National Honours and Awards, which includes Officer of the Order of the Niger (OON), member of order of the Niger (MON) and many professional bodies, including fellow of Nigeria society of Chemical Engineers, Fellow Institute of Corporate Administrators (FICA), fellow Nigeria Institute of Sales Management (FNISM), Fellow Institute of Journalism Management (FIJM).

At a very Youthful age in 1981 Chief (Dr) Chika Okafor set out to float a private enterprise to help him achieve his life dream of touching the lives of less privileged Nigerians. Perhaps not many people gave him the chance of surviving in the Murky waters of the nation's business climate.

But 34 years after, the Chicason group has become a success story and an inspiration to young and aspiring entrepreneurs wishing to test the waters of industry. The group has grown to become one of the African's fastest growing conglomerates currently made up of more than 13 companies and affiliated as a foremost industrialist whose hallmark of success is hard work and partnership with various stakeholders, with the aim of not only industrializing

Nigeria but also creating jobs for the citizens, while putting a smile on the faces of the less privileged.

(3) CHIEF (DR) INNOCENT IFEDIASO CHUKWUMA

Chief (Dr) Innocent Ifediaso Chukwuma is the founder/CEO of Innoson Group. Innoson Group is indigenous privately owned Nigerian Group of companies committed to driving the Nigerian economy forward through industrialization. Their product line includes heavy duty vehicles, middle and high level buses, special environment friendly vehicles. The company carries out optimization design and assembly according to African road condition so as to produce suitable products at affordable prices. Their products include: plastic chairs, tables, trays, plates, spoons, cups, jerry cans of different sizes and many other allied products, motorcycles, tri- cycles, spare parts and accessories. The company pioneered the first made-in-Nigeria motorcycle brand in 2002 that drove out tokumbo (foreign used) motorcycles out of Nigeria.

The companies under Innoson Group include:

- (1) Innoson Vehicle Manufacturing Co. Ltd is a Nigerian automobile manufacturer headquartered in Nnewi, Anambra Nigeria. It was founded by Chief Innocent Chukwuma. Innoson Vehicle manufacturing is nicknamed pride of African Road.

The company is noted for manufacturing durable and affordable brand new automobiles for Africans. Its versions include:

1. Innoson g5, INNOSON Caris, Innoson g80
2. INNOSON Ikenga, Innoson g5t, INNOSON capa
3. INNOSON Seriki, Innoson g40

Innoson Vehicle Manufacturing (IVM) introduces automotive products from China, Japan and Germany. Through the company's leadership visionary founder Dr. Innocent Chukwuma (OFR), the reputation of the company as one of the leading proponents of made-in-Nigeria brands started from a humble beginning 38 years ago.

- (2) Innoson Technical Industrial Co. Ltd manufactures high quality household and industrial plastics, health and safety accessories, storage containers, fixtures and fittings, electrical components and accessories.

(4) REV. FR. EMMANUEL MATHEW PAUL CHIDI EDE

Rev. Fr. Emmanuel Matthew Paul Chidi Edeh is a Nigerian Roman Catholic Priest of the Holy Ghost congregation. He is the founder of the first private university in the country. He is also the founder of the pilgrimage centre of Eucharistic adoration. He is with an estimated net worth of \$90 million, making him the second wealthiest preacher and the richest reverend father in Nigeria.

Undoubtedly, a Billionaire Rev. Fr. Edeh has shown interests in most sectors of the economy including health, agriculture, education, merchandising, hospitality, Banking etc. His investments include:

- (1) Madonna University (in Anambra, Rivers and Enugu States)
- (2) Caritas University Enugu state
- (3) Osisatech Polytechnic, Enugu State

- (4) Our Saviour College of Education
- (5) Our Saviour Primary and Secondary Schools
- (6) Our Saviour Diagnostic Centres
- (7) Madonna Hospitals
- (8) Father, Sisters and Brothers of Jesus the Saviour congregations

- (9) Mayfresh Mortgage Bank

- (10) Triumph Water

- (11) Triumph Beverages
- (12) Triumph range of cosmetics

He also engages in the production of Sacramentals. As a matter of fact, only a few priests in the world today can compete with him in terms of industry and resourcefulness.

(5) CHIEF (DR) COSMAS MADUKA

Cosmas Maduka (CON) is a Nigerian businessman and Philanthropist. He is the founder, president and chairman of the Coscharis Group. He started Coscharis Motors as a one man business and over the years has transformed the organization into an indigenous conglomerate with diverse interest in manufacturing, ICT, Petrochemical, Auto care and Auto components, Automobile Sales, and services, Agriculture, and Allied business sectors of the Nigerian economy. Through his visionary leadership, Coscharis Motors has secured sole franchise of BMW, MINI, Rolls Royce and Jaguar, Land Rover premium brands and Abro USA Auto care and consumer products among others. Coscharis is also a very strong partner for distribution of ford brand of automobiles in Nigeria. Coscharis is a reputable company that delivers excellent products and services to customers, giving them the highest value for their money. The net worth of this business mogul is \$800 million.

(6) CHIEF CLETUS MADUBUGWU IBETO

Chief Cletus Madubugwu Ibeto is the chairman/CEO of the Ibeto Group. He is a renowned and acknowledged industrialist who has advanced the cause of international goodwill and understanding through his extensive international business undertakings and network. In recognition of his outstanding contributions to the socio-economic development of the country and service to humanity, he was also honoured at various times by the Federal government of Nigeria with officer of the Order of the Niger (OON) and Commander of the Order of the Niger (CON).

The philanthropist, businessman and entrepreneur Cletus Ibeto is the chairman and founder of Ibeto Group, Nigeria's largest conglomerate in the east. Ibeto Brothers Trading Company was founded in 1970 by the entrepreneur as its sole proprietor and the company has been engaging in the importation of car spare parts and has since grown into a multi-billion dollar enterprise. The motor replacement component parts importation later into automobile lead-acid battery and plastic accessory. The company later went into manufacturing of car component parts.

Ibeto Group subsidiaries include:

- (1) Union Autoparts manufacturing company Ltd.
- (2) Aluminium smelting factory
- (3) Ibeto petrochemicals industries ltd.

- (4) Ibeto cement company ltd
- (5) Hospitality (King's Palace Hotel Ltd
- (6) Ibeto Energy Development Ltd
- (7) Palmex Agencies Ltd
- (8) Odoh Holdings Ltd

Ibeto Group Chairman has touched many lives and institutions through his activities. Some of them include:

- (1) Awarding of scholarships to over 200 student
- (2) At the Nnamdi Azikiwe University, College of Medicine, Nnewi, Anambra State, he established and maintained a prize award foundation for the top graduating student in paediatrics.
- (3) Established a prize award foundation at the Federal University of Technology Owerri, Imo State for the best graduating student in the Electrical/Electronics Engineering department and more.

(7) DR. ANTHONY OBIAGBOSO:

Dr. Obiagboso the founder and until his death chief executive of Tonimas Company Ltd. Tonimas company is the producer of Tonimas lubricants. Dr. Obiagboso was the owner of Tonimas petro filling stations that scattered all over Nigeria. Thousands of people are under the employment of Dr. Anthony Obiagboso.

(8) CHIEF EMEKA AGBANARI (THE IKE IDEMILI)

Chief Emeka Agbanari (The Ike Idemili): He is the founder and the chief executive of Seaman liquid oil and gas. Chief Emeka Agbanari is currently developing a gigantic rice meal at Nnobi.

1. Cutis cable is yet another entrepreneurship of yet another individual.
1. We have so many private schools and universities scattered all over Nigeria.
2. We have so many private hospitals in town and villages of Nigeria.
3. We have so many small and medium scale businesses owned by private individuals in Nigeria.

The contribution of these entrepreneurs in the economic development and growth of the nation cannot be over emphasized. Their contributions can be discussed under the following:

1. Reduction of Unemployment

Unemployment refers to a situation where people who are willing and capable of working are unable to find employment. The above mentioned entrepreneurs through their factories and industries have given jobs to so many thousands if not millions of people in Nigeria. Aliko Dangote for example can boast of employing thousands of people in his numerous companies producing different products. Chicason Group of companies has conglomerates and has accommodated thousands of employees.

The more these entrepreneurs are coming up with more industries and factories, the more people are employed and the more unemployment is reduced. This will be in congruence with Arinze 2017; high employment in the society is associated with a low degree of entrepreneurial activities.

We will also not forget that the more individuals are taken care of via employment, the more they function properly in the society giving rise to an organized society. By creating

organizations that offer employment to millions of people, to help to improve the living standard of the people, this results in greater morale and economic freedom.

2. Wealth Creation and Poverty Reduction

Duniya, (2010) argue that entrepreneurship enables individuals to use their potentials and energies to create wealth through the creation of goods and services. Poverty is a condition of living that is characterized by lack of the basic necessities of life. Bougeoise (2012) observed that one of the major causes of poverty is unemployment and since entrepreneurship is preoccupied with employment generation, then by extension, the generation of employment will therefore reduce the level of poverty. Wealth if created will definitely reduce the incidence of poverty by empowering the citizens and increasing their access to basic necessities of life (food, clothing, shelter, security and education).

3. Entrepreneurs are job Creators

They work creatively to establish resources that were not in existence. Entrepreneurs have the ability to administer a startup venture. They are opportunity creators. Aliko Dangote finished refinery will create millions of job opportunities for millions of people. Not only will he provide jobs for his workers but others will find pastures in the opportunities created in his refinery. Hoteliers, shops owners, trailer drivers, loaders, marketers, brokers etc, will all find narrow opportunities in the refinery. An entrepreneur is a job creator.

3. Entrepreneurs are world Transformers

Bill gates has actually transformed the world by his invention of Microsoft, WhatsApp, Facebook etc are all start up ventures that eventually succeeded into big ventures. As a start up founder or small business owner you may think you are working hard to build your own business for yourself and your family, but you are actually transforming your community. Entrepreneurs enhance the state, region and country.

4. Economic Growth of the Nation

Entrepreneurs help in funding the government through payment of taxes and also participate in building other government regulated revenues.

Furthermore, their employees are also in a better position to pay their taxes and other government tariffs. These will altogether help to improve the national economy. Economists categorize entrepreneurship as integral to production. The other three are land, labour and capital. An entrepreneur combines these three to manufacture goods and or produce services. They convert the land, labour and capital into national income and wealth in form of goods and services, they therefore help to increase the net national product and per capital income of the nation. According to Awlagi (2018), path-breaking offering by entrepreneurs in the form of new goods and services result in new employment which can produce a cascading effect on virtuous circle in the economy. New and improved offerings, products or technologies from entrepreneurs enable new markets to be developed and new wealth created. Entrepreneur creates new businesses.

5. Reduction of Crime Rate:

It is strongly believed that unemployment is responsible to a large extent for the level of social complication of armed robbery, political thuggery, drugs peddling, prostitution, Yahoo Scam, e-mail scam, and other such related crimes. When individuals are unable to satisfy their needs, most often, frustration occurs. These frustrations breed fraudulent practices. Employment generation therefore will reduce the level of frustration and consequently, crime rate (Baumol, 2012).

Conclusion

The growth of national economy is important to every member of the nation. Entrepreneurs are prime movers of the economy. This assertion has been supported by avalanches of the literature on the subject.

Recommendation

Seeing that entrepreneurs are job creators and wealth creators it is recommended that government should encourage entrepreneurs by:

1. Making sure their products are used in the country.
2. By encouraging them in the exportation of their products by reducing export and other related duties.
3. By setting up factors that will allow micro entrepreneurs to team up and come up to macro entrepreneurs.
4. By subsidizing the cost of importation of raw materials.
5. Power is of necessity to an entrepreneur. The government must look into the power situation of the nation.

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