

ISSN:1520-5509

JOURNAL
of

**SUSTAINABLE
DEVELOPMENT**

in

AFRICA
(JSDA)

Volume 13 No. 8, July, 2011
Clarion University of Pennsylvania, Clarion, Pennsylvania

PROBLEMS AND STRATEGIES FOR PRIVATE SECTOR DEVELOPMENT IN AKWA IBOM STATE, NIGERIA

Godwin A. Akpan and Enoidem B. Usoro

Department of Vocational Education, University of Uyo, Nigeria

Anictie E. Akpan

Department of Business Education, Akwa Ibom State College of Education, Afaha Nsit, Nigeria -

ABSTRACT

Akwa Ibom State – Nigeria’s leading oil bearing state – is populated with over four million people, 72 per cent of whom live below the poverty line. The state which is the 7th poorest nationwide, and the poorest in the South-South region of the country is usually referred to as a civil service state due to the absence of industrial activities in the area. Most salary earners in the state are employed in the civil service. This study was carried out to determine the causes of the underdevelopment of entrepreneurship in the state, as well as strategies that can be employed to stimulate private sector activities. Two hundred indigenous entrepreneurs were included in the study which took a survey design. Data were collected with the use of a questionnaire. The findings of the study show that inadequate capital, lack of experience, non-cooperation among entrepreneurs, and inadequate governmental support were the major causes of the underdevelopment of the private sector in the state. It was recommended that a special business enhancement agency to fast-track private sector development in the state should be established by the government.

Keywords: Economic development strategies, Infrastructural development, Private sector, Development, Indigenous entrepreneurs

BACKGROUND OF THE STUDY

Economic development policies in Nigeria up to 1986 favoured the expansion of the public sector more than the private sector. From independence in 1960, and particularly after the civil war in 1970, the Federal Government and the various states governments invested massively not only in the development of infrastructures and social service agencies, but also in enterprises of industrial, commercial and financial nature. Given the weak industrial sector, the near absence of basic infrastructures, grossly inadequate capital and technological base that characterized the economy at that time (Ihunda, 2003), and the determination of the founding fathers of independent Nigeria to maintain a firm control over the economy and kick start development in all sections of the country (Adeoti, 2003), the economic development strategy considered most appropriate at the time was government massive direct involvement in the development of infrastructures, social service agencies as well as enterprises engaged in the production of industrial goods and services. Anyanwu (1997) maintained that by 1986 the Federal Government alone owned nearly 200 non-commercial and commercial government investment in forms of equity, loan guarantee and subventions of over 36 billion naira. According to Anyanwu, government involvement in economic activities had become so dominant that in the 1980s the public sector alone

accounted for about 50 per cent of Gross Domestic Product (GDP) in the economy and above 60-70 per cent of modern sector employment.

The attractiveness of public sector employment in the public service had a negative effect on the development of the private sector economy. Men who were working as farmers, artisans, craftsmen, traders and fishermen in the rural areas abandoned their trades and relocated to urban centres, especially the capital cities of newly created states in search of paid employment as messengers, cleaners, security guards, and grounds men. The effects of this, according to Okongwu (1986), were the immediate problems of shortage in food supply and congested urban centres, as well as the long-term problems associated with the weakening of the private sector. The problems could also be attributed to poor planning and failure of governments at various level to mobilize the resources of the economy for valid long-term growth of national economy. Making reference to the error inherent in part economic development policies and their consequences on the private sector of the economy, the then Head of States, General Sani Abacha, in his 1995 Budget speech remarked:

The blessing of the oil boom which descended upon us in the 1970s became an overwhelming temptation that took us away in droves from the land. Existing oil palm and rubber plantations were overrun by neglect while entire rural farming communities were depleted in the exodus of young men and women who left to join the rising urban population (Abacha, 1995:4)

In a comparative study of Nigeria, Pakistan, and the Philippines on the emergence of private indigenous entrepreneurs, Akeredolu-Ale (1975) identified "some vitiating" historical factors which adversely affected the rate and pattern of development of private indigenous entrepreneurship in Nigeria between 1946 and 1966. These factors were:

1. The activities of statutory Marketing Boards which monopolized export of Nigeria's major export commodities such as palm oil and kernel, groundnuts, cocoa and rubber and thus precluded Nigerian entrepreneurs from exportation experience and the benefits of increased capital that would have accrued to them.
2. The overemphasis of Nigerian nationalists on political independence without any serious consideration for strategy on economic independence which explains why the accumulated proceeds from the sale of Nigeria's agricultural produce by the Marketing Boards were kept outside the country in British securities, and why the open-economy policy was adopted in the country up to the 1970s.
3. The inaccessibility to Nigerian entrepreneurs of Nigeria's surplus funds generated by the Marketing Boards as the funds were held outside the country.
4. The activities of expatriate companies that dominated the economy at the time.

ECONOMIC DEVELOPMENT STRATEGIES IN POST-INDEPENDENCE NIGERIA

Economic development strategies in Nigeria since independence in 1960 have tended to be in line with global trends particularly among developing economies. Akpan (2003) identified three distinct periods since independence in which different strategies were adopted by government as paths to economic development. The first is what the author described as "the era of massive investment in public enterprises" (from independence in 1960 to 1974). This covered the periods of the First and Second National Development Plans (1962 to 1968 and 1970 to 1974 respectively). The major focus during this period was government massive direct investment in public enterprises and provision of social infrastructures as attempt to kick-start economic development in all sections of the country.

The second period, which Akpan (2003) termed “the era of indigenization” covers the periods of the Third and Fourth National Development Plans (1975 to 1980 and 1981 to 1985 respectively). A major policy thrust of the Third National Development Plan was the indigenization of economic activities. Essentially the policy was introduced to enable Nigerians to participate in the ownership and control of industrial, commercial and financial activities in the country. Under the policy enterprises were categorized into three main schedules. Schedule I contained 36 enterprises reserved for the exclusive ownership of Nigerian citizens and associations. Schedule II contained 37 enterprises, the ownership structure of which must be a minimum Nigerian equity participation of 60 per cent. Schedule III contained 45 enterprises of which at least 40 per cent equity ownership must be by Nigerians. Anyanwu (1993) asserted that indigenization in Nigeria involved government intervention to acquire and control on behalf of the Nigerian society the greater proportion of the productive assets of the country under the indigenization policy. The third period, which Akpan called the “era of privatization and commercialization” began in 1986 when the direction of government economic development policies began to shift in favour of a private-sector dominated economy. This era, which is on-going, is characterized by aggressive government divestment from industrial and commercial enterprises. Akpan (2003) also listed three reasons for the change in the direction of government economic development policy in Nigeria thus:

1. The dismal failure of public enterprises occasioned by poor economic policies wasteful spending and corruption.
2. The global oil glut of the 1980s and the subsequent dwindling in revenue accruing to the country.
3. The prevailing views in the 1980s that government’s responsibility for directing the production and distribution of goods and services should be reduced or eliminated in order to enhance private sector participation.

The neoclassical theory of economic development which gained much acceptance in the 1980s and much favoured by the World Bank argued that government intervention in economic activities in the less developed countries (LDCs) was the major cause of the slow pace of economic growth in those countries. Adherents of this theory maintain that government would do well to stimulate economic development by limiting itself to the provision of infrastructures and encouraging competition among private enterprises. In what appears as Nigeria’s acceptance of what was then the most plausible formula for economic development, the Federal Government adopted the IMF/World Bank Structural Adjustment Programme (SAP) and set the stage for massive divestment from economic activities. In the 1986 budget speech, the government declared its intention to divest its equity holdings and relinquish control over public enterprises:

So far there are about 500 companies in which the Federal Government had invested over N36 billion as equity, loans, subventions from which she has been realizing less than N500 million annually. These enterprises also incurred huge debts which are being repaid and serviced by government. The government also became unhappy with a situation where as much as 40% of its capital investment budget went to support public enterprises, the provision of whose goods and services were often costly, inefficient and subject to political manipulation. The Federal Government thus decided to fully privatize some of its investments, terminate support for others which could be partially privatized, and commercialize fully or partially some others that would still be fully owned by the government (Babangida, 1986:7)

Thus the search for a workable economic development formula in the country which began with massive government investment in industrial and commercial enterprises (with some enterprises set aside for government exclusive ownership) has come full circle to complete government divestment from and total privatization of economic activities. From 2001 there has been a renewed vigour in this regard under the accelerated privatization, liberalization and private sector development focus of the National Economic Empowerment and Development Strategy (NEEDS). The vision of Nigeria under NEEDS is to create a country where poverty does not exist, a country where a strong and vibrant private sector drives the economy, create wealth and generate employment – a country of plenty and passionate entrepreneurs.

ECONOMIC DEVELOPMENT STRATEGIES IN AKWA IBOM STATE

Economic development strategies in Akwa Ibom State, over the years, have generally conformed to the economic development strategies adopted in the country since independence. From the days of South Eastern State and old Cross River State from where it was carved out, particularly under the administrations of Brigadier General Uduokaha Esuene and Dr. Clement Isong respectively, massive government investments were made in the development of social infrastructures, human capital as well as industrial, commercial and financial institutions. At the time Akwa Ibom State was created in 1987, it inherited a number of industrial, commercial, financial and service institutions that were publicly owned. But because this was a period when global thinking was in favour of private-sector-led economic development instead of government ownership of institutions of commercial and industrial nature, and particularly because the publicly owned enterprises in the state had long folded up due to mismanagement and corruption, the industrial sector of the state was virtually non-existent at the inception of the state. What the state was rich in at its creation was the large number of public-sector employees it inherited from the Old Cross River State estimated to be more than 60 per cent of the work force of the Old Cross River State. This situation justifies the popular description of the state as “a civil service state” (Ekpenyong, 2001; Ekpo & Uwatt, 2005). Corporative Nigeria (2006/2007) observed that at the inception of Governor Victor Attah’s administration in 1999 Akwa Ibom State was the seventh poorest of Nigeria’s 36 states and known for not much than inexpensive domestic help. According to the Federal Office of Statistics (FOS), Akwa Ibom State is the seventh poorest state in the country with 72.3 per cent of its inhabitants living below the poverty line in 1996. These include 38.9 per cent that are moderately poor and 33.4 per cent that are core poor.

STATEMENT OF THE PROBLEM

Akwa Ibom State is generally referred to as a civil service State. Very few Akwa Ibom indigenes are involved in entrepreneurship activities. Most people in the State prefer paid employment. And since there are very few private firms that can provide satisfactory employment, most salary earners in the state do so from the public service. The state public service is bloated, consuming a significantly high portion of revenue accruing to the state thus hampering infrastructural development. Owing to the army of unemployed graduates that struggle for the few and irregularly available job positions in the public service, some unethical practices such as undue favoritism and outright bribery are often seen to characterize employment in the state. Young school leavers in the state are still migrating in droves to Lagos, Port-Harcourt, Abuja, Kaduna and other major cities in other states in the country where they serve as house helps, messengers, and security guards. Most Nigerian movies portray a typical Akwa Ibom man or woman as a house-help. Within the State itself most prominent business outlets are owned by Igbos. Energetic Akwa Ibom men are more prominently noticed as cyclists. Many successful automobile repair shops in Uyo, Ikot Ekpene, Eket and other towns are run by Igbos or Yorubas. The same is true of spare-parts vending shops. The Igbos traverse every village in the state to

buy palm oil and kernels processed by our rural dwellers and supply them to companies that use them as basic raw materials. They also supply fishing gears to our fishermen and in return receive all their catches, which they transport to other cities in the country where they make fortunes for themselves at the expense of the fishermen. The questions that always beg for urgent answers are: Why is there so much aversion for entrepreneurship among Akwa Ibom people? What can be done to stimulate private sector development in Akwa Ibom State?

Purpose of the Study

The purpose of this study was to identify effective, practical and people-oriented strategies to transform Akwa State from a civil service dominant economy to a vibrant private sector-driven economy. Specifically, the study sought the opinions of entrepreneurs in the state on:

1. Factors that inhibit private sector development in Akwa Ibom State.
2. Strategies that can be adopted to vitalize the private sector of the state.

Significance of the Study

It is hoped that the findings of the study would be beneficial to a number of people and institutions in a number of ways. First, the State Government, through its Ministry of Economic Development would benefit in identifying the factors that inhibit private sector development in the state and in identifying effective strategies for overcoming the problem. Second, educators and students would benefit in gaining knowledge about factors that inhibit private sector development in the state and strategies that could be adopted to tackle the problem. Third, existing and prospective entrepreneurs would benefit from the findings of the study. They would know the factors to watch in the operation of their businesses and the strategies to adopt in fostering the development of their enterprises. Fourth, researchers interested in the economic development of Akwa Ibom State would benefit from the findings of the study in that the findings of this study would provide the basis for further studies in the field.

Research Questions

The following questions were formulated to guide the study:

1. What factors inhibit private sector development in Akwa Ibom State?
2. What strategies can be adopted to vitalize the private sector economy of Akwa Ibom State?

Research Hypotheses

The following null hypotheses were tested at 0.05 level of significance:

1. Entrepreneurs in Akwa Ibom State do not differ significantly in their mean responses on the factor responsible for the weak private sector development in Akwa Ibom State.
2. Entrepreneurs in Akwa Ibom State do not differ significantly in their mean responses on the strategies to vitalize the economy of Akwa Ibom State.

Research Method

The survey method was used in gathering data for the study. The study was carried out in

Akwa Ibom State, Nigeria. Map of Akwa Ibom State is shown in Figure 1. At the time of the study, Uyo, the capital of Akwa Ibom State has the highest concentration of enterprises in the state. The 2005 statistics from the State Ministry of Economic Development show that out of the 876 enterprises listed in the state, 357 (41 per cent) were located in Uyo. The population of the study consisted of the 357 entrepreneurs whose enterprises were listed by the State Ministry of Economic Development in 2005. The sample for the study consisted of 200 indigenous entrepreneurs whose enterprises are located in Uyo. A simple random sampling technique was used in selecting the two hundred entrepreneurs used in the study.

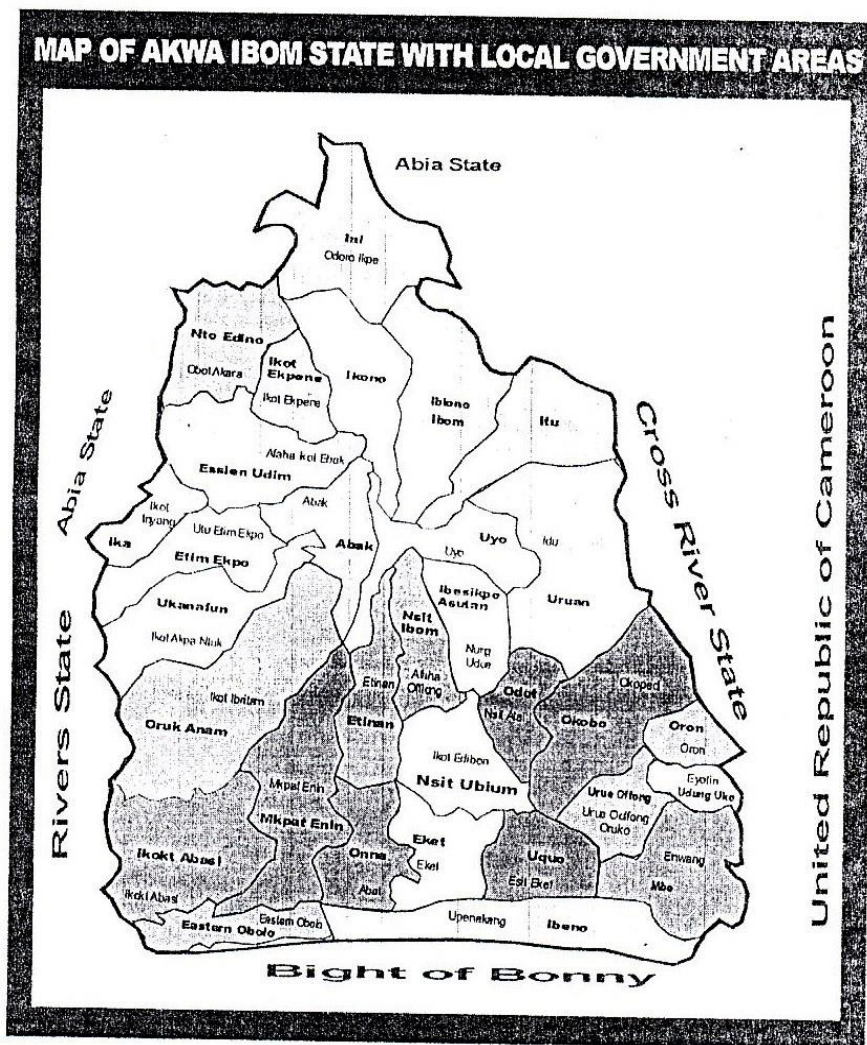


Figure 1: Map of Akwa Ibom State, Nigeria
 Source: Akwa Ibom State Ministry of Trades and Industries (2010:270).

Instrumentation

The researchers-developed instrument, titled Private Sector Development Strategy Questionnaire (PSDSQ), was used in gathering data for the study. The questionnaire had two sections. Section One which consisted of 15 items was used to obtain background information about the entrepreneurs and their enterprises. Section Two had eight items. It was devoted to operational information about the enterprises established and run by the respondents. Items 16, 18, and 20 of the instrument required a “YES” or “NO” response from the respondents as to whether they engaged in importation,

exportation, or direct purchase from manufacturers within the country. Items 17, 19, and 21 required the respondents to rank the degree of seriousness six factors which constitute problems to their participation in importation, exportation, and direct purchase from manufactures. Item 22 required the respondents to rank the degree of necessity four strategies that can be adopted to fasten the pace of private sector development in Akwa Ibom State.

The questionnaire was subjected to face validation by three experts (one in Economics and two in Business Education). The reliability of the instrument was established using the Cronbach coefficient Alpha. A reliability coefficient of 0.78 was obtained and the researchers were satisfied that the instrument was reliable.

Administration of the Instrument

The researchers, assisted by six research assistants, administered the instrument on the research subject. Two hundred copies of the questionnaire were distributed and were all returned.

Method of Data Analyses

The responses of the research subjects to each item on the questionnaire, except those items requiring YES or NO responses, were scored on a rating scale as follows:

Very Serious (VS) or Absolutely Necessary (AN)	4 points
Serious (S) or Very Necessary (VN)	3 points
Not Serious (NS) or Necessary (N)	2 points
Not a problem (NP) or Not Necessary(NN)	1point

Each item was separately scored and the resulting data used in answering the research questions. Also, frequency counts were made of the responses of the research subject to each of the items in their various categories and the resulting data used in testing the hypotheses.

Percentage and Mean score were used to answer the researcher questions. With the use of mean score, 2.50 was acceptable decision point. Chi-square statistics was used in testing the research the hypotheses.

RESULTS

Research Question 1: What factors inhibit private sector development in Akwa Ibom State?

Table 1

Level of participation of Akwa Ibom state indigenous entrepreneurs in import trade

Item	Yes		No	
	No.	%	No.	%
Do you carry out importation of goods or raw materials	16	8	184	92

Table 2

Factors inhibiting the participation of Akwa Ibom State indigenous entrepreneurs in import trade

Problems	fx	\bar{X}	Decision
1. Lack of experience	527	2.64	Accepted
2. Lack of funds	586	2.93	Accepted
3. Lack of relevant information	481	2.41	Rejected
4. Fear of failure	498	2.49	Rejected
5. Lack of cooperation from other entrepreneurs	555	2.76	Accepted
6. Inadequate government support	712	3.56	Accepted

From Tables 1 and 2 it is evident that a very negligible number of Akwa Ibom State indigenous entrepreneurs engage in import trade. The indigenous entrepreneurs attributed their non-participation in import trade to lack of funds which they blame on non-cooperation among themselves and inadequate support from government. They do not consider fear of failure and absence of relevant information as major problems/obstacles to their engagement in importation.

Table 3

Level of participation of Akwa Ibom State indigenous entrepreneurs in export trade

Item	Yes		No	
	No.	%	No.	%
Do you export goods to other countries?	11	5	189	95

Table 4

Factors inhibiting the participating of Akwa Ibom State indigenous entrepreneurs in export trade

PROBLEMS	fx	\bar{X}	DECISION
1. Lack of experience	556	2.83	Accepted
2. Lack of funds	588	2.94	Accepted
3. Lack of relevant information	543	2.72	Accepted
4. Fear of failure	505	2.53	Accepted
5. Lack of cooperation from other entrepreneurs	548	2.74	Accepted
6. Inadequate government support	719	3.60	Accepted

Data in Table 3 show the numbers and per centages of Akwa Ibom State indigenous entrepreneurs participating or not participating in export trade. Table 4 shows the opinion of indigenous entrepreneurs in Akwa Ibom State regarding factors responsible for their non-participation in exportation of goods. Lack of funds, lack of relevant information, lack of cooperation among the entrepreneurs, inadequate government support and lack of experience are the factors that the

respondents claim hinder them from participation in export trade. The table also shows that fear of failure is an hindrance to entrepreneurs in the state to engaging in export trade.

Table 5

Level of participation of Akwa Ibom State indigenous entrepreneurs in direct purchase from local manufacturers

Item	Yes		No	
	No.	%	No.	%
Do you buy goods direct from manufactures within the country?	18	9	182	91

Table 6

Factors militating against the participation of indigenous entrepreneurs in Akwa Ibom State in direct purchase from local manufacturers

Problems	F _x	\bar{X}	Decision
1. Lack of experience	511	2.56	Accepted
2. Lack of funds	521	2.61	Accepted
3. Lack of relevant information	471	2.35	Rejected
4. Fear of failure	460	2.30	Rejected
5. Lack of cooperation from other entrepreneurs	550	2.75	Accepted
6. Inadequate government support	711	3.56	Accepted

Table 5 shows the number of indigenous entrepreneurs in Akwa Ibom State that participate or do not participate in direct purchase from local manufacturers. From Table 6 it is evident that entrepreneurs in Akwa Ibom State do not consider lack of relevant information and fear of failure as problems to their participation in direct purchase from manufacturers with the country. Their major problems are inadequate support from government, lack of cooperation among themselves, lack of funds, and lack of experience.

The data in Tables 1, 2, 3, 4, 5 and 6, explain why most indigenous entrepreneurs in Akwa Ibom State are of the micro and small categories. They explain the absence of large scale merchandising firms and industries in the state.

Research Question 2: What strategies can be adopted to vitalize the private sector of Akwa Ibom State?

Table 7

Preferred approach to fasten the pace of private sector growth in Akwa Ibom State

	Preferred Approach	Number Agree	Per centage(%)
1.	Build business support system to assist indigenous entrepreneurs	188	94
2.	Leave Akwa Ibom State entrepreneurs to develop at their own pace	12	6

Table 7 shows the opinion of the respondents who regarding the best approach to fasten the pace of private sector growth in Akwa Ibom State. An overwhelming majority of respondents (94%) agree that indigenous entrepreneurs in the state need business support in order for them to grow their enterprises which constitute the engine of growth of the economy.

Table 8

Respondents' ranking of strategies to fasten the pace of private sector growth in Akwa Ibom State

Strategies	fx	\bar{X}	Decision
1. Creation of large pool of funds from where entrepreneurs can draw funds to finance their operations	714	3.57	Accepted
2. Establishment of information agency to provide business information to Akwa Ibom Entrepreneurs	565	2.83	Accepted
3. Creation of business enhancement agency to assist Akwa Ibom entrepreneurs in procuring goods within and outside Nigeria	624	3.12	Accepted
4. Setting up a special business support agency to assist Akwa Ibom entrepreneurs in securing markets for their products within and outside Nigeria	605	3.03	Accepted

Data in Table 8 show the opinions of indigenous enterpreseurs in Akwa Ibom State on strategies that can be adopted to enhance their operations and thus fasten the pace of growth of the economy. The respondents are very emphatic on the creations of a large pool of funds from where they may draw funds to finance their operations.

Hypothesis one: Entrepreneurs in Akwa Ibom State do not differ significantly in their mean responses on the weak private sector in the state.

Table 9

Summary of Chi-square analysis on the opinion of entrepreneurs on factors responsible for weak private sector in Akwa Ibom State

Opinion of Subjects				N	χ^2 cal	DF	χ^2 crit
VS	S	NS	NP				
62	59	55	24	200	18.52	3	7.81

$\alpha = 0.05$

Key: VS = Very Serious; S = Serious; NS = Not Serious; NP = Not a Problem.

The calculated Chi-square value is greater than the critical value. Therefore the null hypothesis is rejected in favour of the alternative hypothesis. This implies that there is significant difference in the opinions of entrepreneurs in Akwa Ibom State regarding factors responsible for the weak private sector in the State.

Hypothesis Two: Entrepreneurs in Akwa Ibom State do not differ significantly in their mean responses on the strategies to vitalize the economy of Akwa Ibom State.

Table 10

Summary of Chi-square analysis on the opinion of entrepreneurs on strategies to fasten the pace of private sector development in Akwa Ibom State

Opinion of Subjects				N	χ^2 cal	DF	χ^2 crit
VS	S	NS	NP				
97	62	35	6	200	90.28	3	7.81

$\alpha = 0.05$

Key: AN = Absolute Necessary; VN = Very necessary; N = Necessary; NN = Not Necessary.

The calculated Chi-square value is greater than the critical value. Therefore the null hypothesis is rejected in favour of the alternative hypothesis. This means that there is a significant difference in the opinion of entrepreneurs in Akwa Ibom State on strategies to fasten the pace of private sector development in Akwa Ibom State.

DISCUSSION OF FINDINGS

The weak private sector in Akwa Ibom State is the major reason why most educated Akwa Ibom indigenes take refuge in public sector employment. The less educated ones migrate to big cities in other states such as Lagos, Abuja, and Port-Harcourt where they could secure employment as house helps. The very high rate of poverty in the state could be attributed to weak private sector involvement in the economic development in the state. Since poverty can only begets more poverty, the micro and small enterprises owned and managed by poor Akwa Ibom indigenous entrepreneurs would continue to remain small. These subsistent enterprises would never on their own be able to save enough money with which to invest in medium scale enterprises.

As the findings of the study show, the paucity or almost non-existence of merchants (importers, exporters, distributors) among Akwa Ibom indigenous entrepreneurs can be attributed to lack of funds (poverty), lack of cooperation among the

entrepreneurs (egocentric attitude of the people), lack of cognate experience which naturally grows with practice, and the generally accepted belief that government should do everything for the people. The entrepreneurs themselves are conscious of their predicaments and would welcome the creation of business support systems that would assist them to improve their enterprises. Without the establishment of functional business support agencies whose functions are to spearhead and fast-track the development of indigenous medium scale private enterprises, the envisaged private-sector-led economic development enshrined in the National Economic Empowerment and Development Strategy (NEEDS) and Akwa Ibom State Economic Empowerment and Development Strategy (AK-SEEDS) would remain a mirage in Akwa Ibom State. At best the economy of the state would be dominated by enterprises owned by non-indigenes leaving Akwa Ibom indigenes perpetually in the poverty trap and under the bondage of servitude.

CONCLUSIONS

The private sector in Akwa Ibom State is weak. The micro and small enterprises owned and run by indigenous entrepreneurs in the state require urgent assistance in forms of finance, business strategies and business information to grow into medium scale enterprises. Without a sustained assistance the micro and small enterprises that currently constitute the private sector in the state would remain perpetually small and the cycle of under-development manifested in high rates of unemployment, poverty, servitude, disease and inequalities will continue.

RECOMMENDATIONS

1. Based on the implications of the findings of this study, an enhanced private-sector-led economic development strategy is recommended to fast-track private sector development in Akwa Ibom State. An enhanced private-sector-led economic development strategy would bring about the emergence of medium-scale enterprises on a large scale. The strategy consists of the creation of business enhancement agency that would provide support to indigenous entrepreneurs in the areas of funding, business information, products procurement, and market penetration. The duties of such agencies would be to enhance the performance of entrepreneurs in their areas of operation.
2. The enterprises would all be privately owned with no government equity holding. The State Government should provide a pool of funds from where the enterprise operators could borrow to finance their operations.
3. The business enhancement agency to be set up for the purpose of fast-tracking the development of the private sector in Akwa Ibom State should be composed of experts from the Ministry of Commerce and Industry, the academic community, and the financial sector.
4. Business enhancement agencies should provide relevant business information to the enterprise operators to enhance their operations. Similarly, the agencies should guide these entrepreneurs on the processes involved in importation, exportation and distributorship.

REFERENCES

- Abacha, S. (1995). *Budget Speech of the Head of State*. Abuja: Federal Republic of Nigeria.
- Adeoti, J. O. (2003). The Social Cost of Privatization of Public Enterprises in Nigeria. *ESUT Journal of Administration*, 1 (1), 167-174.
- Akeredolu-Ale, E. O. (1975). *The Underdevelopment of Indigenous Entrepreneurship in Nigeria*, Ibadan: Ibadan University Press.

- Akpan, A. E. (2004). *Fundamentals of Entrepreneurship*. Ikot Ekpene: Brian Publishers.
- Akwa Ibom State Ministry of Trades and Industries (2010). *Akwa Ibom State ellow Pages*. Uyo: Akwa Ibom State Ministry of Trades and Industries.
- Anyanwu, J. C. (1993). *Monetary economics: Theory, Policy and Institutions*. Onitsha: Hybrid Publishers Ltd.
- Anyanwu, J. C. (1997). *The Structure of the Nigerian Economy*. Onitsha: Joanese Educational Publishers Limited.
- Babangida, I. B. (1986). *Budget Speech of the Head of State*. Abuja: Federal Republic of Nigeria.
- Ekpenyong, D. B., Ekpo, E. J. A., & Okon, J. J. (2001). *The Problems of Akwa Ibom State and their Impact on Development*. Lagos: Times Publications.
- Ekpo, A. H. & Uwatt, U. B. (2005). *Akwa Ibom State of Nigeria: Poverty Profile and Economic Transformation*. Uyo: Foundation for Economic Research and Training.
- Federal Office of Statistics (1999). *Poverty Profile for Nigeria 1980-1996*. Lagos: Federal Office of Statistics.
- Ihunda, C. C. (2003). Privatization as a Means of Reconstruction an Economy: The Nigerian Experience. *Enterprise*, 5 (3) 21-34.
- Okongwu, C. S. P. (1986). *The Nigerian Economy*. Enugu: Fourth Dimension Publishing Company.

ABOUT THE AUTHORS:

Godwin A. Akpan is an Associate Professor of Industrial Education in the Department of Vocational Education, University of Uyo Nigeria.

Enoidem B. Usoro is an Associate Professor in Business Education in the Department of Vocational Education, University of Uyo, Nigeria.

Anietie E. Akpan is a Chief Lecturer in Business Education in the Department of Business Education, Akwa Ibom State College of Education, Afaha Nsit, Nigeria.