

Entrepreneurship Development and the Growth of Agricultural Sector in Nigeria

By

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Abstract

This study is on “Entrepreneurship Development and the Growth of Agricultural Sector in Nigeria”. The specific objectives are: to ascertain the impact of credit facilities for cash crop production on Agricultural sector; to determine the effect of credit facilities for livestock production on the growth of agricultural sector; to determine the relationship between credits facilities for food crop production and the growth of the agricultural sector; and to determine the extent to which credit facilities for fisheries affects the sector of the economy. The study employs a correlational research design. The data were secondary in nature. They were data on credit facilities granted for cash crop, food crop, livestock and fisheries production in Nigeria between 1984 to 2013. The data were analyzed using the simple linear regression analysis. The study found that credit facilities for cash crop production, livestock, food crop and fisheries have significant relationship with the growth of agricultural sector. The study among other things, recommends the needs to spend much more on agriculture than its current commitment in order to increase economic growth in agricultural sector and make agriculture the main stay of the Nigerian economy.

Keywords: Entrepreneurship Development, Agricultural Sector Growth, Credit Facilities, Livestock Production and Food Crop Production

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Introduction

The realization of the full potential of entrepreneurial opportunities in Nigeria have been dampened by the adoption of inappropriate industrialization policies at different times. Several policy interventions that were aimed at stimulating entrepreneurship development through small and medium scale enterprises promotion, especially those that is technology based have failed to achieve the desired goals as it led to the most indigenous entrepreneurs becoming distribution agents of imported products as opposed to building in-country entrepreneurial capacity for manufacturing, mechanized agriculture and expert service (Ebiringa, 2012).

The function of an entrepreneur implies the discovery, assessment and exploitation of opportunities, in other words, new products, services or production processes; new strategies and organizational forms and new markets for products and inputs that did not previously exist (Shane and Venkataraman, 2000). The entrepreneurial opportunity is an unexpected and as yet unvalued economic opportunity. Entrepreneurial opportunities exist because different agents have differing ideas on the relative value of resources or when resources are turned from inputs into outputs. The theory of the entrepreneurship focuses on the heterogeneity of beliefs about the value of resources (Alvarez and Busenitz, 2001).

According to Kruger (2004), the growth of an entrepreneurial venture is defined in terms of revenue generation, value added, and expansion in terms of volume of the business. It can also be measured in the form of qualitative features like market position, quality of product, and goodwill of the customers. Many factors like characteristics of the entrepreneur, access to resources like finance, and manpower is said to affect the growth of the enterprise.

The importance of entrepreneurship for achieving economic growth in any economy cannot be over emphasized. The high rate of unemployment in Nigeria has over some decades now caused a renewed interest in reevaluation of the role of small firms and a renewed attention to entrepreneurship. This has caused a paradigm shift from capital intensive, large-scale enterprises to small and medium scale Enterprises (SMEs) especially in Agriculture. SMEs apart from having the potentials for ensuring a self-reliant industrial development, in terms of ability to depend on local raw materials, also generate more employment per unit of investment and guarantee an even industrial development, including the rural areas. This study is needed now owing to the quest for agriculture to become the main stay of the Nigerian economy. The study will help policy makers to ascertain the exact effect of these credit facilities granted to entrepreneurs in the agricultural sector on the agricultural sector. The result of this finding will help decision makers to effectively and efficiently direct these agricultural aids to the sub sectors that need them more.

Statement of Problem

In Nigeria, the high rate of unemployment has necessitated the call for entrepreneurial development in recent decades. This however has taken different forms such as skill acquisition programs aimed at creating sustainable man power, giving credit facilities to upcoming entrepreneurs as well as the unemployed and subsidizing raw materials in order to reduce cost of production and hence increasing profit. All these are aimed at improving and strengthening the entrepreneurial base of the economy and to boost the gross domestic product (GDP) of the nation. The most important of them is the credit facilities granted, especially for cash crop, livestock, food crops and fisheries, as most people who have interest in agricultural activity are limited my funds. Since land and other factors can easily come by.

Naudé (2010) argues that the theoretical and empirical cases for understanding the role of entrepreneurship are not yet solid, that evidence on whether entrepreneurship matters for economic growth is not straightforward; that how entrepreneurship has been promoted and how it contributed to development in countries like China and the East Asian Tigers is still a matter of contention. A closer look at the relationship between entrepreneurship and economic development is therefore needed. This study therefore is aimed at determining the impact of entrepreneurship development through credit delivery on the growth of agricultural sector.

Objectives of the Study

The main objective of this study is to ascertain the effect entrepreneurship development through credit delivery on the growth agricultural sector of the Nigerian economy. The specific objectives are:

1. To ascertain the impact of credit facilities for cash crop production on Agricultural sector.
2. To determine the effect of credit facilities for livestock production on the growth of agricultural sector
3. To determine the relationship between credits facilities for food crop production and the growth of the agricultural sector.

To determine the extent to which credit facilities for fisheries affects the sector of the economy.

Research Hypotheses

The following null hypothesis are formulated in this study:

1. H_0 : credit facilities for cash crop production do not have significant relationship with the growth of agricultural sector.
2. H_0 : credit facilities for livestock production have no significant relationship with the growth of the agricultural sector
3. H_0 : there is no significant relationship between credit facilities given for food crop production and the growth of agricultural sector.
4. H_0 : credit facilities for fisheries does not have significant affects the agricultural sector of the economy.

Literature Review

This study adopts the Schumpeter's Theory of the Long Wave by Schumpeter (1961). *"Schumpeter concept of long waves is seen as disturbances in the equilibrium of any economic system, the exhaustion of these disturbances, as well as an eventual return to equilibrium. It is this repeated return to a state of equilibrium that which gives long waves their cyclical character. This state of equilibrium was referred to by Schumpeter as "the circular flow of economic life" or just the "stationary flow". This state refers to a condition comparable to simple reproduction and characterized by an absence of any change or development. But Schumpeter is also explicit that this "stationary flow" is only a theoretical norm, not a real state of affairs: it serves as a reference point from which to define phenomena such as overproduction, excess capacity, and unemployment". (Schumpeter 1961).*

The role of entrepreneurship as the driving force of economic growth found its the foundation in Schumpeter's theory of long waves. According to Schumpeter, "Everyone is an entrepreneur when he actually carries out new combinations". Finding new combinations of factors of production is a process of entrepreneurial discovery that will become the engine

that drives economic development. These "new combinations" constitute better ways to meet create new products or existing demand.

Thus, the process of creative destruction is built on dynamic, deliberate entrepreneurial efforts to change market structures and can be propitious for additional innovations and profit opportunities. Based on the concept of creative destruction, Schumpeter formulated his theory of long waves of business cycles and economic growth. Business cycles are seen as the result of innovation, which consists of the generation of a new idea and its implementation in a new product, process or service, leading to the dynamic growth of the national economy, the increase of employment, and creation of pure profit for the innovative enterprise (Schumpeter, 1941; Schumpeter 1942).

The importance of entrepreneurship development on the growth of a nation's economy cannot be over emphasized. Several studies have been conducted in this areas although few of them in Nigeria. This review highlight some of the empirical studies done in the areas of entrepreneurship and economic growth.

Oyelola et al (2013)study underscores the importance of entrepreneurship as a realistic mechanism for sustainable economic growth in Nigeria considering the experiences of developed nations like the United States and vibrant economies like China and India. Their paper discussed that entrepreneurship has been instrumental in economic growth, balanced regional development and job creation in most dynamic economies, where technology is changing at a faster rate and the product lifetime cycle is shrinking. Their paper reveals that the right business environment for entrepreneurship is lacking in Nigeria on account of the challenges of frequent power outages, bad roads, multiple taxes extortion of money from SMEs by government officials, lack of genuine support service for SMEs and expensive transportation/telecommunications costs have all combined to inhibit entrepreneurship and economic growth. They therefore concluded that government should focus on capacity building, improving infrastructure, judicious utilization of the oil wealth and enabling environment thereby leading to sustainable economic growth.

Mateev and Anastasov (2010) have found that an enterprise's growth is related to size as well as other specific characteristics like financial structure and productivity. They further added that the total assets which is one of the measure of the enterprise size has a direct impact on the sales revenue, but the number of employees, investment in R & D, and other intangible assets have not much influence on the enterprise's growth prospects.

Lorunka et al. (2011) have found that the gender of the founder, the amount of capital required at the time of starting the business, and growth strategy of the enterprise are very important factors in predicting growth in a small enterprise. They further highlighted that apart from human capital resources, the growth of an enterprise can be predicted on the basis of commitment of the person starting a new enterprise.

Ghani, Kerr and O'Connell (2013) analyzed the spatial determinants of entrepreneurship in India in the manufacturing and services sectors. Among general district traits, quality of physical infrastructure and workforce education are the strongest predictors of entry, with labor laws and household banking access also playing important roles. They found extensive evidence of agglomeration economies among manufacturing industries. In particular, supportive incumbent industrial structures for input and output markets are strongly linked to higher establishment entry rates. In comparison to the U.S., regional conditions in India play a stronger relative role for the spatial patterns of entrepreneurship compared to incumbent industry locations.

On entrepreneurship financing, Akinola (2013) argued that the roles of entrepreneurship are worldly acclaimed but yet as laudable as these roles there can be no significant success by any entrepreneur except with availability of finance. Nevertheless, mere availability of finance also cannot guarantee the success of an enterprise but there must be in place appropriate financial strategies for the funding/investment needs of an enterprise.

Egibiremolen and Anaduaka (2014) employed the augmented Solow human-capital-growth model to investigate the impact of human capital development on national output, a proxy for economic growth, using quarterly time-series data from 1999-2012. Their findings show that human capital exhibits significant positive impact on output level. The results also reveal a relatively inelastic relationship between human capital development and output level. They recommended that government and policy makers should make concerted and sincere efforts in building and developing human capacity through adequate educational funding across all levels.

Bosire and Nzaramba (2011) assessed how entrepreneurship skills development impacts on growth of SMEs in Rwanda, with CAPLAKI “Cooperative des Artistes Plasticiens de Kigali”, an artisan’s cooperative in Rwanda selected as a case study. The study adopted qualitative and quantitative methods. Data were collected from 71 members of CAPLAKI Cooperative using structured and unstructured questionnaires. They found that the respondents (CAPLAKI members) have limited entrepreneurship skills particularly in terms of recognizing business opportunities, being innovative and communicating effectively in business transactions. 65% admitted that they lack skills of identifying business opportunities. Also 96% of the respondents lamented that their sales were decreasing because of failure to communicate with clients especially foreigners who are their potential customers. Also, 63% revealed that they lack innovative skills. The study recommended the need to equip the entrepreneurs with such skills as separating money between business and household, reinvesting profits in the business, maintaining records of sales and expenses, and thinking proactively about new markets and opportunities for profits.

Maghsoudi and Davodi (2011) studied the Small and Medium Enterprises as a veritable tool in Economic Growth and Development. Data from 200 SME/Entrepreneurial officers and Managers from five selected local government in Nigeria were collected with a structured questionnaire and analyzed with descriptive statistics to identify the perception of the roles of SMEs in Nigeria. The results of their study reveals that the most common constraints hindering entrepreneurship growth in Nigeria are lack of financial support, poor management, corruption, lack of training and experience, poor infrastructure, insufficient profits, and low demand for product and services. They therefore recommends that Government should as matter of urgency assist prospective entrepreneurs to have access to finance and necessary information relating to business opportunities, modern technology, raw materials, market, plant and machinery.

Maghsoudi and Davodi (2011) identified strategies for developing entrepreneurship in agriculture cooperatives and their classification based on the current circumstance. Their population of study was the active agriculture cooperatives managers in Khuzestan province. On evaluation of the entrepreneurship development strategies in the cooperatives, respondents believe that training and developing skills were the effective strategies for developing entrepreneurship in agricultural cooperatives. The result also found that the existing cooperative structure does not provide needed motivation for entrepreneurship. According to interactions between cooperatives, taking patterns from other cooperative is a practical strategy to develop creative plans. Adopted strategies should be formed based on their accessibility level. Factor analysis show that educational - motivational, investing - innovative, supportive, partnership and infrastructure factors explain around 57.3 percent of

the factors affecting the development of entrepreneurship in agriculture production cooperatives.

Ascher (2012) discusses the rise of the female entrepreneurship phenomenon, arguing that women entrepreneurship needs to be studied as a separate field for two main reasons: Female entrepreneurship is an important source of economic growth in creating new jobs and by being genetically different; and female entrepreneurship has been neglected, particularly in business research. The author noted that although, equal opportunity for men and women in the entrepreneurial field is not a reality in the short range, the progress towards its achievement could be facilitated by better understanding of the impact of female entrepreneurship on society and its contribution to economic growth. The study therefore, addresses the growth in female entrepreneurship in the developed and developing countries, explores primary motivational and other factors that influence female entrepreneurship and reviews the main obstacles facing the female entrepreneur.

Abdulquadri and Mohammed (2012) critically examined the relevance and contribution of agricultural mechanization to the development of the agricultural sector of the economy, and discussed the benefits of credit for agricultural mechanization, and discusses the roles of cooperatives in agricultural mechanization. They found that the cooperative approach is one of the best means of self-protection for small farmers mainly due to its self-help concept and member's participation.

Nwibo and Okorie (2013) studied role entrepreneurs' play in the development of any economy, as there seems to exist a dearth of empirical knowledge on what constrains entrepreneurs in taking effective entrepreneurial and investment decisions in Southeast Nigeria. They employed a combination of purposive and multistage sampling techniques in the selection of 360 agribusiness investors in the study area. Data were collected primarily using structured questionnaire and interview schedule. Data were analysed using descriptive and inferential statistics. Their result reveals that lack of start-up capital, lack of market information, crime, theft and social disorder, corruption and bad legal system, poor infrastructural facilities, multiple taxation, tedious registration and licensing procedure, and poor access to formal credit facilities were the main constraints to entrepreneurship and investment decisions by agribusiness entrepreneurs in South-East, Nigeria; their result also showed that starting enterprises without proper feasibility, high taxation, inadequate supply of power, inconsistency in government policy, inability to withstand competition, management inexperience, poor knowledge in the line of business, and joint ownership of enterprises were the major causes of enterprise failure in Southeast Nigeria.

The empirical literatures have been reviewed. Oyelola and Ajiboshin (2013) studies were on importance of entrepreneurship. Some studies dwelt on financing entrepreneurship (Maghsoudi & Davodi, 2011). Several authors concentrated on entrepreneurship and economic development (Wennekers & Thurik, 1999; Bosire & Nzaramba, 2011; Abdulquadri & Mohammed, 2012 and Nwibo & Okorie, 2013). Non of these study critically treated the impact of entrepreneurship (through credit delivery) on the growth of agricultural sector in particular and the nigerian economy in general.

Research Methodology

The research is a correlational study which seeks the relationship between entrepreneurship development and the growth of agricultural sector of the Nigerian economy. The data were secondary in nature. They were data on credit facilities granted for cash crop, food crop, livestock and fisheries production in Nigeria between 1984 to 2013. The data were obtained from the Central bank of Nigeria statistics bulletin 2015. The study employs the least square

linear regression to fit the relationship between entrepreneurship development and the growth of the agricultural sector. Since entrepreneurship development is partly dependent on financing, the various loans given to finance various aspects of the agricultural sector is used as a proxy to measure the extent of financial support while the GDP of the agricultural sector is used to measure the growth of the sector.

Model Formulation

Objective 1: impact of credit facilities for cash crop production on Agricultural sector.

The model of the relationship between credit facilities for cash crop production and agricultural sector is presented below.

$$\text{Agric_GDP} = f(\text{credit facilities for cash crop production}) \quad (1)$$

$$\text{Hence, Agric GDP} = \alpha_{01} + \alpha_1 \text{cash_crop} + E \quad (2)$$

Where Agric_GDP = GDP of agricultural sector

α_{01} is the intercept of the regression model for the relationship between credit facilities for cash crop production and growth of agricultural sector.

α_1 is rates of change (slope) of Agric_GDP with respect to cashcrop production. E = error term

Decision Rule

Reject H_0 if the p-value is less than 0.05 and conclude that credit facilities for cash crop production have significant relationship with the growth of agricultural sector. Accept otherwise.

Objective 2: Effect of credit facilities for livestock production and the growth of agricultural sector

The model of the relationship between credit facilities for Livestock production and agricultural sector is presented below.

$$\text{Agric_GDP} = f(\text{credit facilities for livestock production}) \quad (3)$$

$$\text{Hence, Agric GDP} = \alpha_{02} + \alpha_2 \text{Livestock} + E \quad (4)$$

Where Agric_GDP = GDP of agricultural sector

α_{02} is the intercept of the regression model for the relationship between credit facilities for Livestock production and agricultural sector

α_1 is rates of change (slope) of Agric_GDP with respect to livestock production.

E = the error term associated with the model

Decision Rule

Reject H_0 if the p-value is less than 0.05 and conclude that credit facilities for livestock production have significant relationship with the growth of agricultural sector. Accept otherwise.

Objective 3: relationship between credits facilities for food crop production and the growth of the agricultural sector.

The model of the relationship between credit facilities for food crop production and agricultural sector is presented below.

$$\text{Agric_GDP} = f(\text{credit facilities for food crop production}) \quad (5)$$

$$\text{Hence, Agric GDP} = \alpha_{03} + \alpha_3 \text{food_crop} + E \quad (6)$$

Where Agric_GDP = GDP of agricultural sector

α_{03} is the intercept of the regression model for the relationship between credit facilities for food crop production and agricultural sector

α_3 is rates of change (slope) of Agric_GDP with respect to food crop production.

E = the error term associated with the model

Decision Rule

Reject H_0 if the p-value is less than 0.05 and conclude that credit facilities for food crop production have significant relationship with the growth of agricultural sector. Accept otherwise.

Objective 4: credit facilities for fisheries affects the sector of the economy

The model of the relationship between credit facilities for fisheries and agricultural sector is presented below.

$$\text{Agric_GDP} = f(\text{credit facilities for fisheries}) \quad (7)$$

$$\text{Hence, Agric GDP} = \alpha_{04} + \alpha_4 \text{fisheries} + E \quad (8)$$

Where Agric_GDP = GDP of agricultural sector

α_{04} is the intercept of the regression model for the relationship between credit facilities for fisheries and agricultural sector

α_4 is rates of change (slope) of Agric_GDP with respect to fisheries.

E = the error term associated with the model

Decision Rule

Reject H_0 if the p-value is less than 0.05 and conclude that credit facilities for fisheries have significant relationship with the growth of agricultural sector. Accept otherwise.

Results and Discussion of Findings

Hypothesis 1:

Table 1a: Model Summary for Cash Crop Production and Agricultural Sector Growth

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.818 ^a	.669	.657	51313.10493

Table 1a presents the model summary for cash crop production and agricultural sector growth. The correlation coefficient of 0.818 shows that a positive correlation of 81.8% exists between credit facilities for cash crop production and the growth of agricultural sector. The coefficient of determination (R-squared) of 0.669 shows that 66.9% variation in the

growth of agricultural sector is attributable to cash crop production. This means that a unit change in in cash crop credit facilities brings about 66.9% change in economic growth of the agricultural sector.

Table 1b: ANOVA for Cash Crop Production and Agricultural Sector Growth

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	148872127647.919	1	148872127647.919	56.540	.000 ^b
	Residual	73724972665.352	28	2633034738.048		
	Total	222597100313.271	29			

Table 1b presents the Analysis of variance (ANOVA) table for the relationship between credit facility for cash crop production and economic growth of the agricultural sector. The p-value (Sig.) of 0.000 which is less than the 5% level of significance shows that the simple linear regression is a good model for fitting the relationship between credit facilities for cash crop production and economic growth of the agricultural sector.

Table 1c: Coefficients for the relationship betweenCash Crop Production and Agricultural Sector Growth

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	108569.825	11394.489		9.528	.000
	Cash_crop	.894	.119	.818	7.519	.000

a. Dependent Variable: Agric_GDP

Table 1c presents the regression coefficients (intercept and slope) of the relationship between cash crop production and agricultural sector growth. The p-value for the constant (0.000 less than 0.05) shows that the intercept model is appropriate in fitting the relationship.

Decision for hypothesis 1: The p-value for the cash crop credit facility (0.000 less than 0.05) leads to the rejection of the null hypothesis, and thus the conclusion that there is a significant relationship between credit facilities for cash crop production and the growth of the agricultural sector.

Hypothesis 2

Table 2a: Model Summary for Livestock Production and Agricultural Sector Growth

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.851 ^a	.725	.715	46763.48325

a. Predictors: (Constant), Livestock

Table 2a presents the model summary for livestock production and agricultural sector growth. The correlation coefficient of 0.851 shows that a positive correlation of 85.1% exists between credit facilities for livestock production and the growth of agricultural sector. The coefficient of determination (R-squared) of 0.725 shows that 72.5% variation in the growth of agricultural sector is attributable to livestock production.

Table 2b: ANOVA for Livestock Production and Agricultural Sector Growth

Model	Sum of Squares	df	Mean Square	F	Sig.
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1	Regression	161366046082.190	1	161366046082.190	73.790	.000 ^b
	Residual	61231054231.082	28	2186823365.396		
	Total	222597100313.271	29			

a. Dependent Variable: Agric_GDP

b. Predictors: (Constant), Livestock

Table 2b presents the Analysis of variance (ANOVA) table for the relationship between credit facility for livestock production and economic growth of the agricultural sector. The p-value (Sig.) of 0.000 which is less than the 5% level of significance shows that the simple linear regression is a good model for fitting the relationship between credit facilities for livestock production and economic growth of the agricultural sector.

Table 2c: Coefficients for the relationship between Cash Crop Production and Agricultural Sector Growth

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	110326.654	10141.316		10.879	.000
	Livestock	.157	.018	.851	8.590	.000

a. Dependent Variable: Agric_GDP

Table 2c presents the regression coefficients (intercept and slope) of the relationship between livestock production and agricultural sector growth. The p-value for the constant (0.000 less than 0.05) shows that the intercept model is appropriate in fitting the relationship.

Decision for hypothesis 2: The p-value for the livestock credit facility (0.000 less than 0.05) leads to the rejection of the null hypothesis, and thus the conclusion that there is a significant relationship between credit facilities for livestock production and the growth of the agricultural sector.

Hypothesis 3

H₀: there is no significant relationship between credit facilities given for food crop production and the growth of agricultural sector.

H_a: there is significant relationship between credit facilities given for food crop production and the growth of agricultural sector.

The test is carried out at 5% level of significance.

Table 3a: Model Summary for Food Crop Production and Agricultural Sector Growth

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.847 ^a	.718	.708	47380.02503

Table 3a presents the model summary for food crop production and agricultural sector growth. The correlation coefficient of 0.847 shows that a positive correlation of 84.7% exists between credit facilities for food crop production and the growth of agricultural sector. The coefficient of determination (R-squared) of 0.718 shows that 71.8% variation in the growth of agricultural sector is attributable to food crop production. This means that a unit change in in food crop credit facilities brings about 71.8%% change in economic growth of the agricultural sector.

Table 3b: ANOVA for Food Crop Production and Agricultural Sector Growth

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	159740830696.528	1	159740830696.528	71.158	.000 ^b
Residual	62856269616.744	28	2244866772.027		
Total	222597100313.271	29			

Table 3b presents the Analysis of variance (ANOVA) table for the relationship between credit facility for food crop production and economic growth of the agricultural sector. The p-value (Sig.) of 0.000 which is less than the 5% level of significance shows that the simple linear regression is a good model for fitting the relationship between credit facilities for food crop production and economic growth of the agricultural sector.

Table 3c: Coefficients for the relationship between Food Crop Production and Agricultural Sector Growth

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	104286.429	10694.993		9.751	.000
Food_crop	.035	.004	.847	8.436	.000

Table 3c presents the regression coefficients (intercept and slope) of the relationship between credit facility for food crop production and agricultural sector growth. The p-value for the constant (0.000 less than 0.05) shows that the intercept model is appropriate in fitting the relationship.

Decision for hypothesis 3: The p-value for the food crop credit facility (0.000 less than 0.05) leads to the rejection of the null hypothesis, and thus the conclusion that there is a significant relationship between credit facilities for food crop production and the growth of the agricultural sector.

Hypothesis 4

Table 4a: Model Summary for Fisheries and Agricultural Sector Growth

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.806 ^a	.650	.637	52753.69757

Table 4a presents the model summary for fisheries and agricultural sector growth. The correlation coefficient of 0.806 shows that a positive correlation of 80.6% exists between credit facilities for fisheries and the growth of agricultural sector. The coefficient of determination (R-squared) of .650 shows that 65% variation in the growth of agricultural sector is attributable to fisheries credit facilities. This means that a unit change in in fisheries credit facilities brings about 71.8% change in economic growth of the agricultural sector.

Table 4b: ANOVA for fisheries and Agricultural Sector Growth

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	144674427315.672	1	144674427315.672	51.986	.000 ^b
Residual	77922672997.599	28	2782952607.057		
Total	222597100313.271	29			

Table 4b presents the Analysis of variance (ANOVA) table for the relationship between credit facility for fisheries and economic growth of the agricultural sector. The p-value (Sig.) of 0.000 which is less than the 5% level of significance shows that the simple linear regression is a good model for fitting the relationship between credit facilities for fisheries and economic growth of the agricultural sector.

Table 4c: Coefficients for the Relationship between Fisheries and Agricultural Sector Growth

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	118590.440	11029.379		10.752	.000
	Fisheries	.226	.031	.806	7.210	.000

Table 4c presents the regression coefficients (intercept and slope) of the relationship between credit facility for fisheries and agricultural sector growth. The p-value for the constant (0.000 less than 0.05) shows that the intercept model is appropriate in fitting the relationship.

Decision for hypothesis 4: The p-value for the fisheries credit facility (0.000 less than 0.05) leads to the rejection of the null hypothesis, and thus the conclusion that there is a significant relationship between credit facilities for fisheries and the growth of the agricultural sector.

Conclusion and Recommendations

The test of hypothesis in this study reveals that a positive correlation of 81.8% exists between credit facilities for cash crop production and the growth of agricultural sector. This means that a unit increase in the credit facilities for cash crop production give a corresponding increase in the growth of agricultural sector. The coefficient of determination (R-squared) of 0.669 shows that 66.9% variation in the growth of agricultural sector is attributable to cash crop production. This means that a unit change in in cash crop credit facilities brings about 66.9% change in economic growth of the agricultural sector. A significant relationship was found to exist between credit facilities for cash crop production and the growth of the agricultural sector.

A positive correlation of 85.1% was found to exist between credit facilities for livestock production and the growth of agricultural sector. The coefficient of determination (R-squared) of 0.725 shows that 72.5% variation in the growth of agricultural sector is attributable to livestock production. This means that a unit change in in livestock credit facilities brings about 72.5% change in economic growth of the agricultural sector. A significant relationship was found to exist between credit facilities for livestock production and the growth of the agricultural sector.

A positive correlation of 84.7% exists between credit facilities for food crop production and the growth of agricultural sector. The coefficient of determination (R-squared) of 0.718 shows that 71.8% variation in the growth of agricultural sector is attributable to food crop production. This means that a unit change in in food crop credit facilities brings about 71.8% change in economic growth of the agricultural sector. Credit facilities given for food crop production was found to have significant effect on the growth of agricultural sector.

80.6% positive correlation was found to exist between credit facilities for fisheries and the growth of agricultural sector. This means that a unit change increase in the credit facilities for fisheries brings a proportionate increase in economic growth of the agricultural sector. The

coefficient of determination (R-squared) of .650 shows that 65% variation in the growth of agricultural sector is attributable to fisheries credit facilities.

The results of the hypothesis test concerning entrepreneurship development using credit delivery as proxies and economic development of the Nigerian agricultural sector have shown that there is a significant relationship between all aspects of credit delivery and the growth of agricultural sector. Strong and positive correlations (above 80%) were observed in all aspects of entrepreneurship studied. In all entrepreneurship development in the area of livestock production had greatest effect on the growth of agricultural sector. This leads to the conclusion that entrepreneurship development has significant effect on the growth of agricultural sector of the Nigerian economy. Based on the findings in this study, the following recommendations are proffered: In line with Obasanjo (2014), the study recommends the needs to spend much more on agriculture than its current commitment in order to increase economic growth in agricultural sector and make agriculture the main stay of the Nigerian economy; further study may be required to determine avenues (equipment's, rawmaterial, processing etc.) of utilization of such credit facilities for entrepreneurship development; and further study may also be required to determine the relationship between entrepreneurship training on effective utilization of credit facilities.

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APPENDIX

Table 1: economic variables

SOURCE: Nigerian Bureau of statistics, 2015 statistical Bulletin

Year	Cash Crop (₦'000)	Livestock (₦'000)	Food Crops (₦'000)	Fisheries (₦'000)	Agric GDP (₦'000)
1984	2,511.90	11,816.50	3,606.40	826.00	55,918.17
1985	6,050.70	14,158.50	12,498.00	718.10	65,748.44
1986	7,659.20	25,804.40	33,405.30	1,644.70	72,135.23
1987	13,790.30	29,387.90	56,906.60	4,526.30	69,608.06
1988	19,886.10	18,480.40	77,949.90	4,536.80	76,753.72
1989	15,539.20	7,874.60	100,013.10	4,538.70	80,878.04
1990	8,986.30	4,967.30	79,869.60	3,900.70	84,344.61
1991	6,460.20	4,446.90	64,944.80	1,698.20	87,503.53
1992	6,423.20	6,056.10	76,260.70	1,038.70	89,345.43
1993	2,384.90	5,505.80	70,252.00	428.00	90,596.51
1994	8,094.40	10,527.90	82,072.40	2,438.00	92,832.95
1995	13,499.30	18,048.50	121,067.60	1,512.00	96,220.67
1996	15,176.00	28,216.90	171,836.30	2,145.00	100,216.18
1997	13,755.50	23,404.70	187,491.60	3,554.50	104,514.00
1998	7,197.10	22,587.10	175,764.80	3,456.00	108,814.07
1999	4,920.00	11,952.00	204,058.00	6,180.00	114,570.71
2000	4,928.00	27,307.00	303,677.00	899.00	117,945.07
2001	17,169.00	60,415.70	605,525.70	15,742.20	122,522.34
2002	13,214.40	64,449.60	925,734.70	12,069.30	190,133.40
2003	10,961.00	100,486.40	1,015,194.60	13,050.00	203,409.87
2004	18,185.00	190,304.00	1,807,667.70	18,240.00	216,208.47
2005	154,830.00	844,882.80	8,167,101.70	262,195.00	231,463.61
2006	67,165.00	368,151.00	3,703,384.28	114,400.00	248,598.96
2007	42,331.00	353,487.25	3,871,443.29	140,690.00	266,477.18
2008	190,589.00	1,108,483.82	4,775,375.65	368,630.00	283,175.43
2009	298,367.80	1,725,801.27	5,496,286.16	708,621.24	299,996.90
2010	102,858.20	607,339.98	2,263,305.43	848,640.00	283,216.50
2011	197,271.67	1,147,208.36	4,178,322.41	820,884.00	288,796.28
2012	199,499.22	1,160,116.54	3,979,304.67	886,240.00	290,669.89
2013	166,543.03	971,554.96	3,473,644.17	895,500.00	287,560.89

