

CHALLENGES OF AGRO-ALLIED INDUSTRIES IN NIGERIA: AN ALTERNATIVE MODEL FOR THE WAY FORWARD

<https://doi.org/10.47743/jopafl-2024-31-34>

TERSOO GBAEREN Felix

Department of Political Science, College of Education, Katsina-Ala
telixon@gmail.com

FEFA Joseph

Department of Economics, Benue State University, Makurdi
josephfeffa@gmail.com

USHAHEMBA IJIRSHAR Victor

Department of Economics, Benue State University, Makurdi
ijirsharvictor@gmail.com

Abstract: This study examined the challenges of agro-allied industries in Benue state, and suggested an alternative model for industrial development. The study covered the period of 1979 to 2021 using state developmental theory as a theoretical framework. Multi-stage sampling approach was used. The study employed a descriptive survey research design based on the need to collect data from diverse and heterogeneous populations. Primary and secondary data were sourced through questionnaires, in-depth face-to-face interviews with key informants, official documents and personal observations. The study utilised descriptive and inferential statistics for data analysis. The findings reveal that inadequate funding, poor infrastructure, corruption, government interference, lack of political will power and visionary leadership, bad sociocultural attitude of Benue indigene, and wrong approach to development plan are the major challenges of agro-allied industries in the state. The study recommends Public-Private-Partnership (PPP), where the government serves as a regulator through effective and independent legislature, executive (efficient bureaucracy) and judiciary, while the private sector serves as the mainstream business operator.

Keywords: agro-industrial development, agro-allied industries, public-private-partnership (PPP)

Introduction

There is unhindered knowledge that agro-industrial development, even at the small and cottage industry levels, is critical to the expansion and diversification of Nigeria's agricultural sector. Agro-industrial development has the potential to significantly contribute to agricultural transformation and, by extension, rural and national development. Agro-allied sectors are increasingly acknowledged for their contribution to employment generation, food security, and poverty alleviation. They are the backbone of most economic prosperity of many nations while also fueling agricultural industrial development. Vibrant agro-industrial operations can extend the markets for basic agricultural products, enhance value by vertically integrating primary production and food processing systems and minimize post-harvest losses. In addition, such activities would reduce seasonality of consumption of a range of processed foods, increase the viability, profitability and sustainability of production systems through their impact on increasing farm incomes, rural employment and foreign exchange earnings, while reducing marketing risks. Nonetheless,

with rare exceptions, the agro-industrial sector remains rudimentary, underdeveloped and mainly without significant institutional, technical and financial backing.

In Africa, the key challenges in agro-industrial development include; low agricultural productivity and post-harvest losses (first constraints for agro-industry in Africa), poor infrastructure (especially in rural areas, lack of capacity building in agro-industry and market linkages, low access to technology, meeting market demands and certification schemes, development of farmer associations and cooperatives, trade areas and agro-industry, low access to finance services and inadequate environment for attracting investors and private sector, and new challenges: bio-energy (African Development Bank, 2008).

Prior to the implementation of the economic adjustment policies, the Nigerian government intervened in the industrial sector with a view to accelerating the space of socioeconomic development in Nigeria. In fact, at independence, industrialization was recognized as a major plank of economic advancement and a tool to transform the country's economy. To achieve this objective, the Nigerian government invested directly in public enterprises, including the industrial sector (Asaolu & Oladele, 2006; Yusuf, 2006). This informed, for instance, the establishment of the Ajaokuta steel project in 1979 to serve as a catalyst for the industrialization of Nigeria through various government efforts. The aim was to prompt Nigeria's departure from a monolithic economy to a more diversified economy to reduce the country's dependence on oil. Other industries established by the Nigerian government were Delta Steel Company, Jos Steel Company, Oshogbo Steel Company, Katsina Steel Rolling Mills, National Iron Ore Mining Company, Unilever Nigeria Plc, Nestle Nigeria Plc, Nigerian breweries, Flour Mills of Nigeria, Guinness Nigeria Plc and so on.

In line with the Federal Government's drive to industrialize the nation's economy, the Benue State government then established some industries to also accelerate the pace of socioeconomic development in the state. Some of the industries established by the Benue State government in this regard include Otukpo Burnt Bricks, Benco Roof Tiles, Wannue Tomato and Mango Factory, Tarku Mills, Agricultural Development Company, Benro Packaging, Igumale Cement Factory, Benue Plastic Company, Yam Processing Industry, Benue Cement Company, and Benue Breweries Ltd., among others. These industries were established, owned and managed by the Benue State government.

Generally, when there is inefficiency that is often orchestrated by few monopolies, commodity prices are set above the socially welfare price. This creates market failure and loss of economic efficiency. Therefore, it invokes the need a priori for government intervention to savage situations and improve social welfare benefits through the promotion of agricultural industrial development policies that could scale up or revive the agro-allied sector. The importance of the agricultural sector cannot be overemphasized because it provides food security, which is the core of human existence. In Benue state, many attempts have been made at industrial development, especially during the late Governor Aper Aku administration, which came onboard in 1997. The administration witnessed sustained agricultural industrial growth with massive output. One of the agricultural industries was Tarku Mills Limited, an integrated mechanized large-scale agricultural project that was producing and processing soya beans, maize, and rice under the fourth National Development Plan (1980-1985). Agricultural Development company (ADC) was a parastatal established for speedy development of the agro-allied sector in the newly created states. It was charged with the responsibility of stepping up food production by peasant farmers, stimulating Benue Agricultural potentials, offering specialist extension services

to the public and rural farmers, and improving quality and quantity, among other objectives. The Yandev farm center near Gboko was the first of such mechanization efforts in the Benue area and was established in 1926 by the British Colonial government to serve as the agricultural headquarters for Benue province. Other efforts in this direction were the establishment of Benue Agro-Millers Company (OLAM) and Benue Agricultural and Rural Development Authority (BNARDA).

Throughout the Aper Aku administration, which lasted between 1979 and 1983, all the industries that were agro-based functioned very well. For instance, Taraku Mill Limited products were judged the best in West Africa (Igbawua, 2006). Agricultural Development Company (ADC) poultry farm and piggery farms were rated high in Arica with hybrid species of pigs. Ikyogen Cattle Ranch and Ber Agbum were among the agricultural fortunes for which the state was rated higher with a quantum of agricultural productions that earned Benue the food basket of the nation tag. However, in recent times, most of these agro-allied industries have been nonfunctional or predominantly moribund. This study seeks to examine the challenges of the agro-allied industries in Benue state with the view of suggesting the way forward. This research finding could be useful to the development experts and policy makers as well as pragmatic leaders who use the strategies and solutions provided to ensure that resources both internal and external are harnessed and optimally utilized for industrial development and sustainability. It will also suggest solutions to the challenges of agro-allied industrialization in Benue state and other developing entities.

The study focused on the challenges confronting industrial development in Benue State from 1979-2021. The year 1979 marked a significant point in the history of Benue state because it was the year most industries in the state were established under Governor Apollos Aper Aku. From the time of their establishment to 2017, several administrations have participated in different ways and levels in the sustainability of these industries but have not been able to bring them to functional levels. Some have been leased to individuals or corporate bodies, while others have been fully privatized for the development of other sectors. The motive has always been that the private sector will be more efficient in managing these agro-allied industries in line with economic theory. However, none of these agro-allied industries in the private sector under lease or which have been sold is functional, let alone efficient.

Literature review

Challenges of Industrialization in Nigeria

According to Stephen (1996), Nigeria's industrialization process experienced fresh challenges that acted rather negatively in shaping the industrialization process. Earlier in the 1970s and beyond, Nigeria sought to borrow from various bilateral and multinational donors to finance wealth creation and to promote the industrialization process. It so happened that Nigeria's economy accumulated a lot of debt to the tune of tens of billions of dollars. It was in mid 1980s that the reality started to dawn that they were spending much more on servicing foreign loans than for their domestic growth". The Nigerian debt crisis arose as a result of this situation. Because the majority of a country's GDP/GNP is used to service foreign debt, it cannot industrialize. This debt situation has been cited as a significant impediment to Nigeria's industrialization. As a result, the country's balance of payments has been severely impacted. This meant it lacked access to international hard

currencies, which were critical for the import of capital goods required by the manufacturing and processing industries. As a result of this situation, “Nigeria lacked the capacity to exploit the necessary natural resource for manufacturing purposes in addition to the relevant technology, as well as liquid capital that was needed to sustain this process. This forced Nigeria to be dependent on more developed countries of the West for capital goods, industrial inputs, technology and liquid capital. This weak capital base has acted as a major impediment to industrialization process in Nigeria (Stephen, 1996).

According to Iwuagwu (2009), the lack of basic infrastructure has been the bane of Nigeria's industrialization campaign. For example, poor performance in the Nigerian power sector means that Nigerian manufacturers must undergo at least 10 power outages each week and that every firm, even if connected to the national power grid, must invest in its own power supply, which costs at least N750 or \$4.5/kwh to create (Iwuagwu, 2009). Since 1999, successive governments have worked to strengthen the energy sector. The government has committed to constructing eleven thermal power plants at Calabar, Benin, Egbema, Sapele, Yenagoa, Omoku Olorunsogo (Ogun State), Alaoji, Omotosho (Ondo State), Geregu, and Ikot/Abasi as part of the National Integrated Power Project (NIPP). The government hopes to create 40,000 megawatts of electricity by 2020 using the current infrastructure. The achievement of this goal is already complicated by the difficulty of constructing gas pipelines, which are anticipated to cost N750 billion (\$4.5 billion), requiring both appropriation and third-party funding. With zero financial allocations previously experienced a few years ago and a comparatively cheap electricity cost of N7 or \$0.042 per kilowatt, the nation is expected to face a protracted wait to resolve the recurrent power problem.

Iwuagwu (2011) noted that between the end of 2006 and the first half of 2007, Nigeria's industrial sector passed through very difficult period, and had to grapple with numerous challenges including low-capacity utilization resulting from poor state of infrastructure, absence of venture capital, high cost of capital, poor macroeconomic environment (including inadequate regulation), insecurity, multiple taxation, etc. All these combined to bring industry's contribution to National GDP to just a little over 4 percent. Expectedly, some manufacturing companies even shut down, while others migrated to neighboring countries where the business environment was considered friendlier. According to Iwuagwu (2011), political instability, regimes changes and the readjustments in the body politics of the country have continued to make the country suffer a crisis of legitimacy with multiple parties failing to deliver the democratic dreams. These political maladies that are facing Nigeria have acted as the major impediments to industrialization process.

In a different vein, it could be argued that for the majority of Africa's postindependence period, the continent appeared to be a latecomer and a second-class citizen in the international political economy. One of the continent's weaknesses is its inability to take the lead in international trade and trading regimes. The international trading system was dominated by developed countries in the North from the 1960s to the 1990s, thanks to the General Agreement on Tariffs and Trade (GATT) agreement. In terms of Africa and the rest of the Third World, this system has typically failed to establish a governable environment. International market shocks, as well as international trade regimes beyond Africa's control, have continued to function as a major setback to Africa's industrialization process since the World Trade Organization (WTO) was established in 1994 to replace the GATT (Bach, 1988). However, Africa's industrialization problems cannot be totally

attributed to the North; African regional integration, of which Nigeria is a member, appeared to be shaky from the outset. African statesmen and general academia expressed their feelings toward the end of the 1990s, otherwise known as Africa's fourth development decades, that African regionalism and subregional economic integration under the umbrella of the Organization of African Unity (OAU), now the African Union (AU), had largely failed to deliver the industrialization dream for Africa. In fact, the African industrialization process appeared to be more reliant than ever before on financial help and capital goods imports while also being influenced by the World Bank and other foreign financial institutions (Otoghile, 2016). Since 2001, the African Union (AU) sought to rejuvenate African's industrialization through a number of initiatives; the best was the New Partnership for Africa's Development otherwise known as (NEPAD) which is a product of the millennium partnership for the Africa Recovery Programme (MAP) and the OMEGA plan. It appeared that although NEPAD was open to combine the African bred industrialization political economy at the beginning of the 21st Century (Melber, 2002).

Overview of industrialization in Benue State

Benue State was created on February 3, 1976; it was one of the seven states created by the military administration headed by the late General Murtala Muhammed, which increased the number of states in the country from 12 to 19. The state derives its name from the River Benue, the second longest river in the country and the most prominent geographical feature in the state. At its inception, the state comprised only seven local government areas, but with more creation of state and local government in 1991, Benue State now has twenty-three local government areas. Between 1976, when Benue became an autonomous political entity, and today, the state has had a total of 14 chief executives made up of 11 militaries and 5 civilians. In this light, it is not necessary to assess the military regimes individually. The painful fact is that there is little to suggest that any of the military regimes concerned itself with solving the ultimate economic problem of the state and perhaps laying a solid foundation for industrialization to strive in the state. In fairness, it must be admitted that by their very nature, military government could not truly have been expected to do this. They were preoccupied with projects that could quickly be completed for commissioning by the Commander in Chief of the Armed Forces. It should not, however, be misunderstood that the military regimes in the state did nothing, far from industrializing at least a few projects, are not only visible but also externally useful (Igbawua, 2006).

Regarding the five civilian administrations, it must be stated that the government of Governor Aper Aku 1979-1983 was the first to show both a true understanding of the real needs of the Benue polity and to exercise clarity in policy making and industrialisation. In his independence address three years into administration, the Governor Aper Posited My humble attempts as governor of Benue State have always been geared toward the cardinal aim of my administration, which is the transformation of the State from poverty and backwardness to an industrialized modern state that will be the pride and envy of all. Some of these plans to transform the state are long term measureless... Nevertheless, the achievements of the government within the first three years in office are so glaring that they speak for themselves (Independence Address 1983 Oct. 1st). As noted above, Aper Aku laid a solid foundation for industrialisation in Benue State, as within his short period he established some as he established some agro allied industries aimed at adding value to

the farm produce and thereby improving the income of the rural farmers. Specifically, he established:

Taraku Mills Limited for processing soybeans and maize produced on a large scale in the state. Benue Cement Company, Benro Packing Company, Benue Brewery Limited, Benue Burnt Bricks, Otukpo, Ikyogen Cattle Ranch and Ikyogen Holiday Resort, Makurdi Sheraton Hotel, Agricultural Development Company, Lobi Bank to provide loans to farmers, Makurdi Modern Market, Mega foods and Beverages Processing Company Ltd. Wannune (Tomatoes/Mangoes Factory), Benfruit Nigeria Ltd. Makurdi, Benkims Plastic Nig. Ltd. Makurdi, Katsina-Ala Yam Flour Factory Ltd. Fertilizer Blending Company Ltd. Makurdi, Benue Links Limited, etc., Benko Roof Tiles Ltd. Abinsi, Benue Links Ltd. Makurdi, Ikwe Wildlife Park Igbor Bentro Packaging Company Ltd. Gboko, Beer Agbum, Ushongo.

The second civilian administration in Benue was headed by Rev. Fr. Moses Adasu from 1992-1993, it was, however, short lived. Adasu no doubt assumed office with a greater desire for social reform and exhibited a strong aspiration for industrialisation (Igbawua, 2006). Adasu, Moses maiden broadcast on 2nd 1992 as Governor,

The challenge for the rapid industrialisation of Benue State is a challenge that this administration wishes to tackle with all seriousness and purposefulness. Industrialisation is a challenge, especially to our farmers, since it will be agro-based. This will challenge our farmers to increase their production and, therefore, earn greater income and raise their standard of living. It is also a challenge to fight capital flight and encourage capital movement into the state.

Following the return to democracy in 1999, Governor George Akume became the next Governor of the State from 1999-2007, and he established a few industries, such as the Benkims plastics industry and the Tomatoes factory at Wannune, which never functioned even for a second. Governor Suswam 2007-2015 and the present day Governor Samuel Ortom have not been able to rewrite the industrial history of Benue State.

It must be clearly stated that industrialisation, which has been the bedrock of most societies, has remained a challenge in Benue State because apart from the regime of Fr. Adasu Moses, including those of the military successive administrations in the state, have only through corruption mismanaged and run down almost all the industries that were established by the father of Benue State chief Apollos Aper Aku. Many of those industries have been sold off, but some are still in comatose and have become conduit pipes for siphoning money as heavy budgetary allocation goes to such industries yearly.

Moribund Agro-allied Industries in Benue State

Several moribund industries abound in Benue state, and in this section, an attempt is made to discuss some. Taraku Mills Limited is an integrated, agro-based limited liability company owned by the Benue State Government and Industrie Bau Nord (IBN) of Austria. The company, with its Head Office at Taraku in the Gwer-East Local Government Area of Benue State, was incorporated in 1986 with an authorized share capital of N500 million, of which N300 million has been fully paid. The company's gigantic factory complex, also located at Taraku, is a project whose conception and successful execution was in pursuit of a long cherished dream to pull Benue State from the pit of industrial and socioeconomic backwardness onto the path of rapid development.

Taraku Mills Limited is an outcome of deliberate public policy. The Green Revolution strategy of the Shagari administration (1979-1983) assigned the highest priority to agricultural development, particularly in those areas that demonstrated the best potential for increasing food supplies to keep pace with population growth and rapid urbanisation associated with industrialisation. Following acceptability of the feasibility study report, the state government planned to establish an integrated, mechanized large-scale agricultural project for the production and processing of soybeans, maize and rice under the Fourth National Development Plan (1981-1985). In pursuance of its plan, the state government awarded land clearing contracts worth N32.5 million to expand the scope of the Land Development Scheme initiated under the Third Plan. This was intended to develop adequate land for growing soybeans, maize and rice as recommended by the feasibility report. In 1982, the state secured a foreign loan of £56 million (at a fixed exchange rate of N1.0857=£ 1) for the project following which a contract for the construction of an agro-processing factory was awarded to Simon Food Engineers of Stockport, U.K. (TML, 2004). What is today known as Benue Agricultural Development Company (ADC) Ltd. was first established by Edict No. 2 of April 1977 as a parastatal under the Ministry of Agriculture and Natural Resources, then known and called the Benue State Agricultural Development Corporation but abbreviated ADC.

The headquarters of the company is located in Makurdi Town at km 10 Makurdi-Aliade Road without-station farms at Katsina-Ala, Gboko, and Otukpo. Other farm sites include Naka, Okpoga and Ojapo, which are accessible by air, water and land transportation, including rail services. ADC Ltd. was incorporated as a limited liability company in January 1993 during the administration of Rev. Fr. Moses Orshio Adasu with the broad aim of promoting and developing agriculture in all its ramifications in the state. In June 1995, government vide Edict No. 11 transferred and vested all the assets of the defunct corporation into the company. The aim was to remove the company from the state bureaucracy and give it the muscles to carry out the business of commercial agriculture, operative as a profit accruing center and make money for government.

The company is an integrated farm setup in which all the internal lines of production are interdependent and interrelated such that when one line of production goes operational, the other needs to be reactivated to support it. For instance, grains from crop production units are used as raw materials for feed mills, while finished feed from feed mills becomes inputs for livestock units. However, the eggs produced from the livestock unit hatch in the hatchery, which in turn feeds back the livestock unit with day-old chicks. This in-built mechanism provides internal stability and ensures an unbroken production process. However, what is taken from one unit of production to another is accounted for by way of internal transfer pricing. The major raw materials for the company (i.e., soybeans, maize, limestone, etc.) are available in commercial quantities in Benue State. University of Agriculture Makurdi; Benue State University and Akperan Orshi College of Agriculture, Yandev are available as research institutions to support the company. Ber Agbum Integrated Farm was incorporated in 1980 as a limited liability company. The incorporated company name was Ben Wiley Nig. Ltd. The company was floated by an American in partnership with the Benue State government.

The primary goal of establishing the farm was to produce fish for the local market and export. The farm was also used to grow feed crops, including soybean and maize. A total of 2,000 hectares of farmland were set aside for the project, but only 1,000 hectares were

cleared, leaving the remaining 1,000 hectares available for growth. The project started on a sound footing with the provisions of infrastructure such as dams, fish ponds, warehouses and workshops, agricultural equipment and machines, befitting staff quarters, etc. AA certificate of incorporation was also procured, but it is currently with the Union Bank of Nigeria. However, with the taking over of government by the military, the government became uninterested. The American partner equally became disillusioned about the investment and he left.

In 2012, an indigenous company, Lobi Farms Ltd., came on board and was given a five-year lease by the Benue State government to carry out agricultural activities on the farmland. The company moved in and cleared 350 hectares to plant rice, maize and soybean. However, after just four years of farming activities, the government of Chief Samuel Ortom revoked the lease agreement due to political differences. Lobi Farms Ltd. on arrival and with the spirit of active corporate social responsibility rehabilitated the Dam, 22 km road from Tyogbenda Msa to Ber Agbum Integrated Farm, built staff Quarters for members of staff and resuscitated other infrastructure such as boreholes, etc. Since the relocation of Lobi Farms Ltd. from Ber Agbum in 2015, Ber Agbum has remained moribund until now. Approximately 35 kilometers east of Adikpo, the Kwande Local Government Area Headquarters, is the Ikyogen Cattle Ranch. The Ranch is surrounded by a vast area of rolling hills that provide a captivating spectacle for all visitors. Natural beauty abounds in the area, which includes hills, a unique waterfall, evergreen greenery, and mild temperatures. Hills' ecology preserves the beautiful green foliage that makes it a popular grazing area for animals. The location offers a fair mix of adventure and sightseeing, and due to its unique setting, it can welcome guests at any time of year. In 1983, the first Executive Governor of Benue State, Mr Apolos Aper Aku, built the Ikyogen Cattle Ranch for cattle grazing on the highlands, modelled after the Obudu Cattle Ranch in Cross River State. The Ranch was thus put to use, and there were still plans to finish the site's construction and add it to the gallery of the world's best ranches. However, things have changed since then, with successive Benue State administrations abandoning this innovative idea. As a result, the collapsing pillars holding a rusted iron signpost with the inscription "Benue Cattle Ranch Ikyogen" appear to be the lone relic of what was once a bustling ranch with hundreds of cattle roaming the lush plains of Ikyogen.

As a result, all proposed proposals for Ranch's development have been shelved. Projects such as the development of all natural attractions in the southern part of the state, as well as the development of reach archaeological sites in and around the Ranch, which make up the Tiv people's reach cultural heritage, for cultural tourism, which would have been managed by the Ranch's Cultural Heritage Management Department, have been completely abandoned. Another vintage area that portends strength for Benue farmers is the production of fruits, which include oranges, tomatoes, mangoes, and pineapples. Because these fruits are highly perishable, it can also be said that they represent the area of greatest waste in comparison with other crops. The option of farmers here is like that of between the devil and the deep blue sea; when they allow direct purchase from their farms by middlemen, the price is usually ridiculous; when they insist on transporting it to the market whether far or near, they end up losing the entire products through road accidents, and they also lose not only the fruits but even lives. If they are lucky to reach the market, they suffer frustration from the buyers and still end up selling at ridiculous prices for fear that the fruits might perish altogether.

It is in an attempt to address the plight of the fruit farmers in the state that the fruit juice companies at Katsina-Ala and Gboko and the Wannune tomatoes industry were established. Unfortunately, all the industries have not been functioning at the fruit juice company at Katsina-Ala; however, it is discovered that the age of the equipment that has been on site under the sun for approximately two decades has become a problem in two ways. First, because the technology is no longer current and has become obsolete, and second, some vital equipment was not delivered by the supplier. The Wannune tomatoes company is even a more pathetic situation, as after millions of millions of Naira have been sunk into the project, the company did not work even for a second.

One concluding remark that must be made concerning the challenges of industrialisation in Benue State is the issue of bad governance and corruption. The viable industrial takeoff of the state, as was laid by late Aper Aku, has been bastardized through bad governance and corruption, as most of these industries, Benro packaging, Benue Burnt Bricks, Taraku Mills, ADCs, Fruit Juice company, Benue cement, Benue breweries, and Makurdi Sheraton Hotel, have either been sold off or are in a comatose situation. Yio (2011) also towed the same line of thought: Benue state government is set to privatize state-owned industries and not revitalize them. According to Yio (2014), privatizing these industries will surmount the challenges faced in the areas of unemployment and the economic upliftment of the state and will ushered in infrastructural development. However, on the contrary, the outright sell off of some and privatisation of most of the industries, the inhabitants of the state seem more impoverished, and poverty stared in the faces of majority. According to Abah (1989), agricultural and mineral resources are attractive incentives offered by Benue state that could have wooed potential and prospective individuals and corporate industrial investors in the industrial sector of Benue state. It is repulsive that the Benue economy is yet to attract investors either from within or outside the state. Ayado (2012) hinged his analysis on the lack of vision by the successive administration to revitalized industries in the state. To him, the successive administration did not show any sign of commitment to move the state to the path of development. Ayado therefore concluded that the political leaders after Aper Aku do not have the interest of the people at heart but their personal interest.

Agbese (2009) attributed part of the bane of industrial development in Benue state to the disarticulation between and among the various sectors of the economy. Thus, progress in education takes no cognisance of other support systems that need the product of the educational system. Indeed, every sector is virtually on its own, and none can make appreciable progress because the sectors mutually drag one another down. Burya (1999) blamed the nonindustrial development of the state on the inwards-looking attitude of the people of the state. According to him, the people's interaction with people outside the state is minimal and thus has affected the internalisation of the requisite knowledge that can affect their environment positively. Burya also attributed part of the failure to the neglect of the federal government toward Benue state. This neglect, he emphasized, has negatively impacted the infrastructural development of the state.

Hagher (2015) found that industrial development in Benue has been halted because of poorly conceived ill-developed policies that have concentrated wealth in the hands of the political class. He further argued that development in the entire state has been arrested with the greater number of the population, the youth not properly educated or gainfully employed. It spells war or revolution. To him, these moribund industries constitute a draining pipe by members of the powerful consuming elite who have debased, abused,

destroyed and hideously oppressed the people through corruption, arrogance and mismanagement. He rightly identified the leadership culture as the bane to any development in Nigeria. However, he failed to identify subcomponents of the leadership culture. In his assertion, he exempted the individual leader and the community, which cannot be left out in discussing the problems associated with industrial development in Nigeria State.

Methodology

The study adopts a descriptive survey research design. The decision to use a descriptive survey design is necessitated by the need to collect data from diverse and heterogeneous populations. Primary and secondary sources of data collection, including questionnaires, in-depth face-to-face interviews with key informants, official documents and personal observations, were used to collect data. This study is carried out in Benue State. Benue state comprises three senatorial districts, namely, Benue North–East, Benue North–West and Benue South, otherwise known as senatorial zones ‘A’, ‘B’, and ‘C’, respectively; twenty-three (23) local government areas and two hundred and seventy-six (276) council wards. A total population of 1,837,097 constituted the study population

The sample size for this study is determined by applying the Yamane (1969) formula for a finite population and the sample size of 400 drawn from among the population of the study of 1,837,097. The sample size was equally distributed among the three senatorial districts and one more added to Benue North–West Senatorial District to make a total of 400. The same method was applied to determine the sample size for council wards in each of the three wards in each LGA surveyed and for each of the settlements in each ward covered by the study. In selecting the sample for the study, the researcher employed the multistage sampling technique. This technique involves sampling in successive stages such that at each stage, selection is made by using any appropriate sampling methods. The multistage sampling technique is considered appropriate for this study because it enables the researcher to draw a sample that has a geographical spread covering the major political divides in each senatorial district as well as in each of the local government areas surveyed. The method has an in-built openness for the eventual selection of the sampled population. In the first stage of the sampling process, three (3) local government areas (LGAs) are selected from each of the three senatorial districts using the simple random sampling method. Thus, a total of nine (9) local government areas representing the three senatorial districts of the state are selected for the study. The method used in selecting the LGAs for the survey using the simple random sampling procedure is the ballot method, involving four successive steps.

The second stage of the sampling process involved three council wards per LGA for the study. Nine (9) wards are selected through the simple random sampling procedure using the ballot method. Nine (9) wards are thus selected for each senatorial district, making a total of 27 wards for the state as a whole.

The third and last stage involved selecting the required settlements that were eventually studied. This is achieved via the purposive sampling technique. A structured questionnaire comprising twenty-four (24) questions was designed for data collection. A total of 400 questionnaires were distributed with the aid of nine (9) research assistants. Questionnaires were administered and collected on site, which led to 100% retrieval. A total sample size of 400 respondents were drawn from the selected six (6) local government areas for the

study. A target population of sixteen (16) key informants are selected from the Ministries Department and agencies that have dealings with industrial development and staff of moribund industries.

Quantitative and qualitative/descriptive analytic tools are used to present and analyze the data collected and then summarize the results of the study. The decision to use quantitative descriptive analysis is based on the need to study both individuals and groups to be able to describe closely, analyze, interpret and make inferences as well as generalizations on the relationship between the state and agro-allied industrial development in Benue State, 1979-2021.

Data analysis and discussion

Challenges of Agro-Allied Industrial Development in Benue State

Respondents' views and available documentary evidence reveal that poor funding, poor budgetary allocation difficulty in accessing even the little allotted funds, management issues emanating from bad policies, lack of political willpower, and unnecessary bureaucracy negatively affect smooth business transactions as major challenges affecting the development of agro-allied industries in the state. The results on the challenges of agro-allied industrial development in Benue state are presented in Table 1.

Table 1: Challenges of Agro-Allied Industrial Development in Benue State

Potentials	Frequency	Percent
Do you agree that poor funding was responsible for the collapse of agro-allied industries in Benue state?		
Yes	400	100.0
No	0	0
Total	400	100
Is it true that lack of political will power is responsible the moribund agro-allied industries in Benue state?		
Yes	400	100.0
No	0	0
Total	400	100
Do you agree that managerial deficit led to the collapse of agro-allied industries in Benue state?		
Yes	356	89.0
No	44	11.0
Total	400	100
In your opinion, do you think unnecessary bureaucratic bottle-neck affected the smooth running of the agro-allied industries in Benue state?		
Yes	377	94.3
No	23	5.7
Total	400	100
Do you think inadequate power supply can be identifying as a factor that led to the collapse of agro-allied industries in Benue State?		
Yes	398	99.5
No	2	0.5
Total	400	100
Do you think poor infrastructure such road, water supply, etc., can be identify as a factor that led to the collapse of agro-allied industries in Benue State?		
Yes	384	96.0

No	16	4.0
Total	400	100

Field Survey, 2021

From the results in Table 1, 100% of the respondents in the study area agreed that poor funding and lack of political willpower were responsible for the collapse of agro-allied industries in Benue state. None of the respondents disagreed with the above challenges identified. From the results, 100% of the respondents in the study area agreed that a lack of political willpower is responsible for the moribund agro-allied industries in Benue state. None of the respondents disagreed with the above challenges identified. The results further reveal that 356 respondents (89% of the respondents) agreed that managerial deficits led to the collapse of agro-allied industries in Benue state, while 44 respondents (11% of the respondents) disagreed with this view. This implies that managerial deficits led to the collapse of agro-allied industries in Benue state. From the results in Table 1, the study found that 377 respondents (94.3% of the respondents) agreed that unnecessary bureaucratic bottlenecks affected the smooth running of the agro-allied industries in Benue state, while 23 respondents (5.7% of the respondents) disagreed with this view. This implies that managerial deficits led to the collapse of agro-allied industries in Benue state. The results further reveal that 398 respondents (99.5% of the respondents) agreed that inadequate power supply is one of the factors that led to the collapse of agro-allied industries in Benue State, while very few (0.5%) of the respondents had contrary views. This implies that inadequate power supply can be identified as a factor that led to the collapse of agro-allied industries in Benue State.

The result from Tale 1 also shows that 384 respondents (96.0% of the respondents) agreed that poor infrastructure, such as roads and water supply, were factors that led to the collapse of the agro-allied industries in the state. Approximately 4% of the respondents are of the view that poor infrastructure such road, water supply, etc., are not factors that led to the collapse of the agro-allied industries in the state. The results above imply that poor infrastructure, such as roads and water supplies, can be identified as a factor that led to the collapse of agro-allied industries in Benue State. As shown in Table 1, the majority (379 respondents) agreed that government interference led to the collapse of agro-allied industries in the state. Only at most 5% of the respondents disagreed with the challenges of inadequate power supply, poor infrastructure and government interference.

This finding is similar to the interview report that revealed other impediments, such as inadequate power supply, which is often not readily available and therefore results in the use of alternative power supply that is capital intensive; road infrastructure, which is a poor road infrastructure that has negative effects on marketing; government interference, which often leads to the choice of management based on political patronage that ushers in management that often lacks the will to bring development to affected companies; and consequently, the recruitment of unqualified personnel who lack the technical know-how to run the companies. Respondents lament government interference, which often leads to the choice of management based on political patronage vis-à-vis patron clientelism, which consequently leads to the recruitment of personnel who lack the technical know-how to run the companies. From the respondents' view and available documentary evidence, it can be deduced that although the state has abundant competent hands to run moribund agro-allied industries, government interference with the recruitment policy denied the opportunity to run the industries. Consequently, most of the time, the industries were run by personnel

who lacked the prerequisite knowledge and skills to be employed in such companies. This implies that major impediments that arrested the growth and development of agro-allied industries in the state can be attributed to poor funding, lack of political will, inadequate power supply, poor infrastructure, government interference, bad governance and corruption.

Government Efforts towards Revitalization of Agro-Allied Industries in Benue State

The study examined the government efforts towards revitalization of agro-allied industries in Benue state, and the results of the respondents’ responses are presented in Table 2.

Table 2: Government Efforts towards revitalization of Agro-Allied Industries in Benue State

Government Efforts towards revitalization of Agro-Allied Industries	Frequency	Percent
Do you agree that privatization of the agro-allied industries by previous administration in Benue State was one of the efforts made for the vitalization of the industries?		
Yes	367	91.8
No	33	8.2
Total	400	100
Do you agree that commercialization of the agro-allied industries by previous administration in Benue State was one of the efforts made for the vitalization of the industries?		
Yes	374	93.5
No	26	6.5
Total	400	100
Do you agree that Commercialization of the agro-allied industries by previous administration in Benue State was one of the efforts made for the vitalization of the industries?		
Yes	400	100
No	0	0
Total	400	100

Field Survey, 2021

The results from Table 2 show that the majority (91.8%) of the respondents (367 respondents) agreed that privatization of the agro-allied industries by previous administration in Benue State was one of the efforts made for the vitalization of the industries, while 8.2% of the respondents (33 respondents) disagreed with this view. This implies that privatization of the agro-allied industries by previous administration in Benue State was one of the efforts made for the vitalization of the industries. The results show that the majority (93.5%) of the respondents (374 respondents) agreed that the commercialization of the agro-allied industries by a previous administration in Benue State was one of the efforts made to vitalize the industries. The implication is that commercialization of the agro-allied industries by a previous administration in Benue State was one of the efforts made for the vitalization of the industries. The results in Table 2 reveal that all the respondents (100%) agreed that efforts made by previous administration could not yield positive results because the privatization process was based on wrong motives, as most of the industries were sold based on political patronage. Based on the results, the study infers that the government efforts in either privatizing or commercializing the agro-allied industries in the State were fruitless, as the whole privatisation process was

based on wrong motives, as most of the industries were sold based on political patronage and had no economic potential to manage them effectively.

Measures to revamp agro-allied industries in Benue state

The study also assessed the measures taken to revamp the agro-allied industries in Benue State, and the results of the respondents' responses are presented in Table 3. These factors explain the measures implemented by the national and state government in revamping some moribund agro-allied industries and some that are facing several challenges, some of which are identified above.

Table 3: Measures to revamp agro-allied industries in Benue state

Measures to revamp agro-allied industries in Benue state	Frequency	Percent
Do you agree that privatization either by way of joint venture or Public–Private-Partnership (PPP) is the sustainable solution to revamp the moribund agro-allied industries in the state?		
Yes	396	99.0
No	4	1
Total	400	100
Do you agree that a check and balance mechanism that will checkmate corruption and eliminate unnecessary government bureaucratic bottle necks can help in revamping the moribund agro-allied industries?		
Yes	386	96.5
No	14	3.5
Total	400	100
Do you think that availability of highly skills and professional bureaucracy can revitalized the agro-allied industries in Benue state?		
Yes	394	98.5
No	6	1.5
Total	400	100
Do you agree that provision of basic infrastructural development such as roads and power supply will revitalize the agro-allied industries in Benue state?		
Yes	387	96.8
No	13	3.2
Total	400	100
Do you think tax concession can encourage the revamping of agro-allied industries in Benue state?		
Yes	391	97.8
No	9	2.2
Total	400	100
In your opinion, do you agree that adequate security measure on ground can help revamp the agro-allied industries in Benue state?		
Yes	395	98.8
No	5	1.2
Total	400	100

Field Survey, 2021

From the results in Table 3, the majority (99.0%) of the respondents (396 respondents) in the study area agreed that privatization either by way of joint venture or public–private partnership (PPP) is the sustainable solution to revamp the moribund agro-allied industries in the state. Only 3.5% of the respondents had contrary views. This implies that agreeing that privatization either by way of joint ventures or public–private partnerships (PPPs) is a

sustainable solution to revamp the moribund agro-allied industries in the state. From the results in Table 3, the majority (96.5%) of the respondents (386 respondents) also agreed that a check-and-balance mechanism that will checkmate corruption and eliminate unnecessary government bureaucratic bottlenecks can also help in revamping the moribund agro-allied industries in the state. Only 3.5% of the respondents had contrary views. This implies that check and balance mechanisms that will checkmate corruption and eliminate unnecessary government bureaucratic bottlenecks can help in revamping moribund agro-allied industries. The results further show that 394 respondents (98.5% of the respondents) agreed that the availability of highly skilled and professional bureaucracy can revitalize the agro-allied industries in Benue state, while only 6 respondents (1.5% of the respondents) disagreed with this view. This implies that the availability of highly skilled and professional bureaucracy can revitalize the agro-allied industries in Benue state.

The results in Table 3 show that 387 respondents (96.8% of the respondents) agreed that the provision of basic infrastructural development, such as roads and power supply, would revitalize the agro-allied industries in Benue state, while 13 respondents (3.2% of the respondents) disagreed with the measure. The implication is that the provision of basic infrastructural development, such as roads and power supply, will revitalize the agro-allied industries in Benue state. Furthermore, the results reveal that 391 respondents (97.8% of the respondents) agreed that tax concession can also encourage the revamping of the agro-allied industries in the state. Only 1.2% of the respondents disagreed with the measure, which is negligible. This means that tax concession can encourage the revamping of agro-allied industries in Benue state. The results in Table 3 also show that the majority (98.8%) of the respondents (395 respondents) agreed that adequate security measures on the ground can also help in revamping the agro-allied industries in the state. Only 1.2% of the respondents disagreed with the measure, which is negligible. This implies that adequate security measures on the ground can help revamp the agro-allied industries in Benue state. Responses elicited from interviews in collaboration with documentary evidence on what needs to be done to surmount the challenges of agro-allied industrial development in Benue state also reveal that privatization either by way of joint venture or Public–Private-Partnership (PPP) is the sustainable solution to revamp the moribund agro-allied industries in the state. Respondents stressed that this will create a check-and-balance mechanism that will checkmate corruption and eliminate unnecessary government bureaucratic bottlenecks that often slow down business transactions. They, however, stressed that this will only be a viable option if there is an enabling environment provided by the government. To achieve this, they added that there must be an effective and independent judiciary, executive (efficient bureaucracy) and legislature.

This implies that the sustainable way of overcoming the challenges of agro-allied industries in the state is through Public–Private-Partnership (PPP). The government will serve as an enabler through an effective and independent legislature, executive (efficient bureaucracy) and judiciary, while the private sector serves as the operator. Here, the government provides an enabling environment, back up with guaranteed security, managerial manpower, good electricity and efficient road networks, and unrest agitation of community leaders and youths, while the private sector feeds the industries with technical personnel with expertise knowledge to man the production units and takes charge of production, procurement and marketing of products of the industries.

Respondents also affirmed that over the years, successive governments have made attempts to promote the growth and development of agro-allied industries in the state by privatization and commercialization. They stressed that agro-allied industries were privatized or commercialized; however, such efforts seem to yield no positive results because the privatization process was based on wrong motives, as most of the industries were sold based on political patronage and their existence and survival were tied to government patronage. The lifecycle of such privatized industries was determined by the lifecycle of the buyers in government. Most of them were not core investors but opportunists who found themselves in the corridors of government and had no adequate knowledge about doing business. This is why once they leave office, such industries collapse or become dysfunctional due to poor investment culture and incorrect methods of handling install equipment.

Conclusion and Policy Recommendations

The study concludes that agro-allied industries in the state suffered setbacks after Aku's administration, as successive administrations demonstrated a lack of political willpower to facilitate the growth and development of the agro-allied industries. Today, moribund industries in the state suffer from a lack of funds, poor infrastructure, corruption and government interference, a lack of political willpower and visionary leadership, the bad sociocultural attitude of Benue indigene, and an incorrect approach to development plans, among others. Successive governments over the years have made efforts to revitalize agro-allied industries through privatisation and commercialisation; however, such efforts have yielded no positive results due to the wrong approach to the implementation plan where the individual interest is placed ahead of the public interest. A privatisation plan where government is the regulator through effective and independent legislature, executive and judiciary and the private sector is the operator of the mainstream business is therefore considered by the researcher as the best option. Based on the findings of the study, the following recommendations are made:

The Government of Benue State should bring aboard concerned citizens with the willpower to revitalize the moribund industries in the state.

The government should enact a law to create an Agro-allied Industry Trust Fund to ensure adequate funding for agro-allied industries in the state.

The government should adopt a joint venture privatisation in the form of a Public–Private–Partnership (PPP), where the government serves as a regulator through effective and independent legislature, executive and judiciary, while the private sector serves as the operator of the mainstream business to checkmate corruption and remove bureaucratic bottlenecks.

The present ongoing exercise where all industries in the state are subjected to proper documentary assessment and evaluation by the Benue Investment and Property Company (BIPC) for quality prospective investor binding should be encouraged and sustained.

References

1. Abah, G.B.E. (1989). Investigative study of the problems of industrial development of Benue State, unpublished MBA thesis submitted in partial fulfilment of the requirement for the degree of Master

- of Business Administration (MBA) in Management. Department of Management, Faculty of Business Administration University of Nigeria, Enugu Campus. March 1989.
2. African Development Bank (2008). key challenges for agro-industry African Development Bank-GAIF-Workshop.
 3. Agbese, D. (2009). The challenges of development: imperatives for paradigm shift excerpts from a democracy Day lecture delivered in Makurdi, Benue State on May 28th 2009. *Newswatch*, June, 29th, 46-50.
 4. Asaolu, T. & Oladele, P. (2006). Public enterprises and privatization policy: The Nigerian experience in Feridun & Akindele, Nigerian economy on economic development: Texas: Lulu Press.
 5. Ayado, S. (2013). Benue: The people, Abandoned industries and infrastructural development leadership <http://www.leadership.uplnga/articles/30982/07/28/benuepeople>. retrieved on 26th October, 2012.
 6. Bach, De (1998). New Regionalism at an Alias: Regionalization Through trans – State – Networks” in J. A. Grant & F. Soderbaum (Ed.). *The Regionalism in Africa*, London: Ashgate
 7. Burya, G.L. (1999). *The Problem with Benue State*, Abuja; Adema Publishers.
 8. Hagher, I. (2015). *Diverse but not broken, wake up calls for Nigeria*, Zaria Almadu Bello University press limited.
 9. Igbawua, C. (2006). *Akumenics of Poverty Eradication: The path to a prosperous Benue Economy*. Makurdi Oracle publishers.
 10. Iwuagwu, O. (2009). Nigeria and the challenge of industrial development: the new cluster strategy. *African Economic History*, 37(1), 151-180 <https://muse.jhu.edu/article/492484>
 11. Melber, H. (2002, June). III. African Development: The New Partnership for Africa's Development (NEPAD)—Old Wine in New Bottles? *In Forum for Development Studies* (Vol. 29, No. 1, pp. 186-209). Taylor & Francis Group.
 12. Otoghile, A. (2016). Crisis of industrialization in Nigeria developing country studies. *Online Journal*, 4(8).
 13. Stephen, F. (1990). Africa Now: People, Policies and Institutions London: James Carrery, Strategy Jumpstart the Country’s Industrial Takeoff? *Afro Asian Journal of Social Sciences*, Vol.2 No 2.4 Qtr IV 2011.
 14. Yio, B. (2014). A history of industrial development industries in Benue state, 1976-2011, unpublished Ph. Thesis submitted in partial fulfilment of the requirement for the award of doctor of philosophy in diplomatic history Department of history. Benue Borodo (2010) Borodo (2010)state university, Makurdi. July 20
 15. Yusuf, M. O. (2006). Problems and prospects of open and distance education in Nigeria. *Turkish Online Journal of Distance Education*, 7(1), 22-29.



This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution - Non Commercial - No Derivatives 4.0 International License.