

Evaluating Factors Affecting Sustainable Rural Industrialisation in Nigeria

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Abstract: - Rural industrialisation practice, so far, lacks a comprehensive view of factors militating against rural development, industrialisation and challenges. This study therefore evaluates the factors affecting rural industrialisation in Nigeria with a view to enhance its development. It looked at the problems and factors responsible for failure of rural industrialisation in Nigeria and analysed technical hitches of industrial development administration. The study also examined the effects of factors of identity, modernity, innovation social protection, shocks and vulnerability and sustainability on rural industrialisation and factors for industrial undertakings in rural area in Nigeria. It looked at industries in the homeland and consequences of industrialization on the home and the host regions. The study suggested measures of acceleration and sustainable rural industrialisation in Nigeria that include: improving incentives and services; investment in infrastructure, new management techniques, new technologies; good governance, human resources, and research and extension; and private sector service delivery; activation of credit, capital and land markets, development of industrial clusters and growth points, and to support urban links, stronger social protection; conflict resolution and management.

The study made recommendations and concluded that in these circumstances, if new technology is to contribute to rural industrialisation, it must meet three challenges, and these include: identifying the most efficient mechanisms for providing information to people; setting technology development policies that distinguish among different types of rural household; and identifying a clear mandate and sustainable support for public research.

Key Words: Factors, Rural Area, Industrialisation, Challenges, Sustainable development

I. INTRODUCTION

The neglect of rural industrialisation in Nigeria has heightened the problems of rural people and has accelerated the country's high rate of urbanization. In solving rural problems, a number of statutory agencies has been established, and also other rural development programmes and rural-based researches backed by some ad hoc policies and mushroom plans. Rural industrialisation practice, so far, lacks a comprehensive view of rural problems. Under the existing situation conflicting policies are bound to be pursued by the different bodies. There are at least three major problem areas in the different approaches to rural industrialisation. The first is the little or no emphasis given to rural industrialisation in the national development plans. The second is the fragmentary nature and the single-minded approach adopted by agencies

with executive responsibilities in rural areas, which often have pursued a range of secular agricultural policies for reasons of their establishment. Third, every initiative to grapple with rural problems tends to underplay the role of planning authorities. The need to establish a single authority with a central role to coordinate, implement rural planning strategies and programmes (Tomori, 2010).

Economic development in any country to a greater extent depends on rural industrialisation and it assists the economy to grow and sustain. In the rural areas agriculture is the main source of livelihood to the people. There is a direct relationship between agriculture production, income and the demand for industrial goods. Less developed and developing countries have faced almost similar problems in their economic and rural industrialisation struggles (Nair, 2014). There is need to find an effective way to break the vicious circle perpetuating the low productivity of subsistence agriculture. The approach, which is aiming at only improving agricultural productivity and income, will not have served to reach the general development targets (Rehber et.al, 1999).

By 1974 the Federal Government of Nigeria was becoming increasingly uneasy on the problem of concentration of industry in a few urban centres, most especially Lagos. As a result of neglect, majority of rural population moved to urban centres in search of economic fortunes. This was most intense in the most rural area of the country where migration was put at over 60% of the entire population in some cases. In consequence of this, a large number of migrant community could be found in various parts of the southwest of Nigeria particularly Lagos from as early as the last decade of the 19th century. It is the challenges faced by the entrepreneurs and spectacular social transformation of the homeland brought about by rural industrialization that is the focus of this paper. The far reaching socio-economic and political impact of rural industrialization on the location region and state at large was also a subject of discussion (Ibiloye, 2013).

As of 2014, 70 per cent of the Nigeria population already lived in rural areas. As time goes on and technology makes it easier for one person to care for large swathes of land, the rural areas will contain an increasingly smaller proportion of the world's population. The activity and process of managing the development process in the rural areas required professionalising. The management of rural

organisation calls for attaching the specific needs for industrialisation in rural area of Nigeria. Many Nigerian people live in villages. This adage which emphasizes the agrarian character of the Nigerian economy continues to be true to this day in spite of industrial development that has taken place in the last six and half decades since independence. The 2006 census estimates about 79% of the country's total population continues to live in rural area that neither have adequate land holdings nor alternate service opportunities to produce or procure essential commodities (Tomori, 2010).

There is the concern in the area of migration pattern in rural areas which varies with the region, opportunities and socio-economic status of the families. The poorest families, particularly the landless and marginal holders owning poor quality land tend to migrate with the entire family. Many tribal families migrate to cities as construction workers and return at the onset of the rains. Such migrations severely affect the quality of life, due to poor health, lack of education and social pressures leading to erosion of moral values. People living in the rural areas have to struggle to earn wages or are forced to migrate to urban areas (Nair, 2014).

The effects of rural industrialization on our society will be far reaching if it can be well develop. The socio-economic status of the people will rise along with the business success. At the home region, people will become a factor in the state politics and in Nigeria. What constitutes, the sources of capital for the various industrial ventures were, personal and family savings from trading activities of the prospective industrialist, loans from banks, technical assistance from overseas business partners, loans from friends and loan companies and of course the franchise right granted to some in the light of previous business ties which are not adequate (Ibiloye, 2013).

The rural industries provide immediate large scale employment and they also offer a method of ensuring a more equitable distribution of national income. They facilitate an effective mobilization of resources, capital and skills which might otherwise remain unutilized, and some of the problems that unplanned urbanization tends to create will be avoided by the establishment of small centres of industrial production all over the country. Therefore, the development of small industries was, thus, seen as a way of serving the following objectives: employment generation, an equitable distribution of income, mobilisation of capital, entrepreneurial skill and regional industrial dispersal. The protective measures are further combined with direct subsidies to cottage industries in one form or the other along with the reservation of production spheres for the industries (Ayyar, 2011).

Factor responsible for industrialisation of rural areas will help in the formulation of policy toward effective and sustainable development of rural area in Nigeria that will reduce the gap between urban and rural area, level of migration, unemployment, poor infrastructure development,

inequality and the level of poverty that are now prevalent in this area. Therefore, this study evaluated factors responsible for rural industrialisation in Nigeria with view to enhance it practice.

II. RURAL DEVELOPMENT AND INDUSTRIALIZATION

A sound development cannot be specified purely economic terms. It must be included, some other targets such as adequate educational level, freedom of speech, citizenship of nation that is truly independent both economically and politically etc. Rural industrialisation is defined as a strategy designed to improve the economic and social life of a specific group of people in the rural poor. In the less developed and developing countries, most of people have been living in rural areas and engaged in agriculture. That is why the major development challenge of these countries is the development of agricultural structure and improvement of the life standards of the people engaged in agriculture (Harriss, 1992).

The rural dwellers, which constitute more than 79 per cent of Nigeria's population, are facing the acute problems of unemployment and under-employment. The economic development is meaningful if it is aimed at the lifting up of the small peasant and converting the small producer himself into an active participant in productive activity. Therefore, the objective of real industrialisation means the development of the rural people. The rural industries principally depend on rural production for their raw material and on the rural population for marketing their products. The process has certain essential conditions. The scope of rural industrialization is considered basically a question of properly utilizing the rich but unexploited national resources in the rural areas. It is a process concerned with the involvement of industries in the development of an area and also participation by rural entrepreneurs in the growth of industries best suited to that specific area. The process of rural industrialization, however, is distinguished from the situation under which certain industries are transplanted in a specific rural area (Ayyar, 2011).

Rural industrialization term connotes that its sole objective should be uplifting of the rural lot by tapping vast material and human resources existing in the countryside. The process of rural industrialization should have its own features such as low investment of capital, labour intensity and use of simple technology by employing local human and material resources. Thus, a judicious mix of local manpower with the local resource is necessary to bring about a viable development in these areas. Industrialization of rural area will enhance international competitiveness of the country. However, the process of industrialization has also been accused of expanding the urban-rural gap. Firstly, industrialization results in the disparity of urban-rural income. The price index for urban and rural areas is almost the same. Secondly, the urban labours have access to better education and training opportunities. They are more competitive in labour market and can find higher-paying jobs. In addition,

the income disparity will cause savings disparity and further investment disparity. Thus industrialization in developing countries is founded upon the redistribution of income and resources away from the impoverished rural class to the urban elite. In the short term, industrialization will expand the urban-rural gap, but the adverse impact will gradually disappear with the development of industrialization in the long term (Ayyar, 2011).

Industrialization brings increasing of industrial products and scale of production brings reduction and price advantage. According to economic growth theory, higher income means higher savings, and thus investment increases. The income of industrialized rural residents is increased and more capital can be invested to improve the infrastructure, education and health care. The life quality of industrialized rural residents will relatively improve than the rural class. Industrialization is the redistribution of resources. In order to satisfy the demand for qualified labours, the non-agricultural sector needs educational services. Thus a variety of educational and training institutions in such areas will be developed. This in turn allows them to get better jobs and get higher income. At the same time, industrialization leads to the demand for funds in urban sector and it can provide better returns for the funds. So the capital flows from rural areas to urban areas. In Nigeria, large cities have developed financial systems while most rural areas have even no banks. Besides, the government has rural bias in trade, finance, education, health care, social security, public goods supply and so on. This is an important reason for resources transfer from urban areas to rural area (QuanbaoLi and Yan Yan, 2011).

To narrow the gap between urban and rural economic development and reduce the poverty of rural area, Nigeria should still rely on the development of industrialization. Successful practice in Nigeria shows that through the development of rural industrialization and industrial production and business model that will promote rural economic restructure; prosper rural economy and ultimately eliminate the imbalance between urban and rural economic development. The success of rural industrialization will promote rural economic development. Secondly, rural industrialization is the way to solve the issues of employment of rural surplus labours. Nigeria has a huge rural population, few employment opportunities in rural areas and there are a lot of surplus labours. Rural industrialization can create jobs for these labours and it increased rural per capita income and ease the pressure on urban employment. It is evidence that rural industrialization can improve employment and the per capita income of rural residents (QuanbaoLi and Yan Yan, 2011).

Rural industrialization is the driving force of modern agriculture. An important factor of urban-rural gap is the uncompetitive of its agricultural sector. The government should made great efforts to promote agricultural modernization, which depends on technological progress, mechanization equipment and funds brought by rural

industrialization that will greatly improve agricultural production. The development of modern agriculture will bring income increase and improve life quality of rural areas. Many researches have showed that the industrialization is the way to promote rural economic development and improve the income in the area. There is need to attach importance to the integration of urban and rural economic development and promote the economy development by industrialisation to adjust the redistribution between rural area and urban area. Industrialization is generally thought to create jobs for rural labours, reduce the number of peasants and increase their incomes, while improving the quality of rural life in the social security, skills training, health, children's education and other national treatments. There is need for the government to support rural industrialization in policies, investment, and funds (QuanbaoLi and Yan Yan, 2011).

As the largest developing country in Africa, Nigeria's economy will maintained long-term growth under the industrialization strategy. Government should put forward new industrialization strategy with low pollution, low resource consumption and high economic returns to enhance international competitiveness. The Nigeria policy on industrialization is said to be found up on the redistribution of resources and income from poor rural class to urban residents, especially the elite class. Industrialization indeed transfers resources of education and funds from rural to urban areas and expands the urban-rural gap. The rural industrialization, combined with macro-economic data, will enhance development of industrialization and will increase income and promotes the development of rural economy. The elimination of urban-rural economy disparity relies on the development of industrialization, especially industrialization in the long run. Industrialization is the way to achieve the integration of urban and rural economic development, reduce and eliminate urban-rural gap, increase the income of rural residents and improve the quality of rural life (QuanbaoLi and Yan Yan, 2011).

III. Significance of Rural Industrialization

Rural industrialization will play a crucial role in raising the income of rural people; solving the unemployment problem of the countryside; checking rural to urban migration; supporting and enhancing the effectiveness of agriculture; contributing to social sector development especially health and education; and transforming the socio-economic environment of the countryside.

Nigeria economy is likely to face the problem of unemployment of very high magnitude if industrialisation is not adopted as quickly as possible. Today 60 per cent of the working population comprises of agricultural labourers and they remain idle for a period of four to six months in a year. There is need for adequate employment opportunities for this population. Rural industrialization can play a significant role in this regard. Rural industrialization becomes all the more important in view of the fact that the percentage share of agriculture to gross domestic production and the percentage of

population engaged in this sector have been declining in the country, the market cannot deviate from this trend. Because of saturation in the agricultural sector, there is no scope to accommodate additional manpower therein and it has further accentuated the problem of unemployment (Pandita, 1997). Therefore, diversion of manpower becomes imperative from agricultural sector to industry and service sectors. Since employment opportunities in the service sector are limited, the development of industrial sector, especially in rural segment, is the only remedy. Rapid urban industrialization might also have been helpful in this regard, but this may not be the proper way to provide employment as it could trigger urban migration leading to social, economic, hygiene implications. It is observed that more industries must grow at a faster rate or there will be accelerated migration to urban areas leading to decay in both areas and social tensions will build up, that will endangering the nation (Ram, 2002, Sundar and Srinivasan, 2009).

IV. EVALUATING THE DIFFERENCES BETWEEN URBAN AND RURAL AREA

Examining the differences between urban and rural area it could be observed that what one has the other one lacks, while there is technically no worldwide distinction for what constitutes an urban area and what constitutes a rural area, the United States census provides an effective definition. According to the census, any area with 50,000 or more people is considered an urbanized area, while any area with less than 50,000 but more than 2,500 is considered an urban cluster.

One of the strange things about a rural area is that it does not have its own definition, but only exists in relation to an urban area. As such, a rural area is simply anything that is lower in population and development than the minimum for an urban area. One of the main benefits of an urban area is that it will contain more people than a rural area. This makes it easier to recruit people for a business, easier to interact with a number of other people in a small amount of time, and it tends to place a number of diverse things within a very close proximity. This makes urban environments breeding grounds for artists and for those who are looking to learn or experience what other people have to offer, concentrating on human interaction on a more consistent basis. While the urban environment is all about people, rural is all about the land. There are not as many people to interact with, so those individuals that one does know take on a greater important or significance in general, or at least exert a greater influence. Additionally, a rural environment will rely on more agricultural methods for making a living, such as farming, rather than business, banking, and other information specializing businesses in the urban environments. Thus, the rural area provides food and the opportunity for one to have more for their money than they would get anywhere else. Considering urban and rural area for habitation, there is need to decide on lifestyle choices; which are the quietude of country life and the bustling activity of the city. These two

areas have numerous differences to offer in both environments.

V. THE PROBLEMS OF RURAL INDUSTRIALISATION IN NIGERIA

The financial, manpower and managerial resources devoted to the implementation of rural industrialisation programmes are utterly inadequate in Nigeria. There is need for better implementation of rural industrialisation programmes that can be ensured only if those responsible for actual implementation are paid reasonably well, appropriately trained, and sufficiently motivated. But this has not been done yet. It is being increasingly observed that the objectives of one programme conflict with those of others, and there is no institutional mechanism for reconciling them. Consequently, many programmes utterly fail in fulfilling their objectives. In addition, they also affect other programmes. In many cases, instruments of rural industrialisation are not properly selected, and their levels are not consistent with the objectives they seek to achieve. These result in the wastage of valuable public resources, and unnecessary delays in achieving the objectives (UN, Report 2009).

Honesty, hard work, helping others, thrift and such other virtues, indirectly help in economic development and in rural industrialisation. In the Nigeria context, not much attention has been paid to this aspect of industrialisation. Observance of rituals, lack of rational decisions in economic matters, spending huge amounts of money on marriage, birth or death ceremonies, prevalence of the caste system and the joint family system in the rural areas and illiteracy are some of the factors which arrest the rural industrialisation in Nigeria. The political parties have a vital role to play in rural industrialisation. But unfortunately this role has not been effectively realized by any democratic political party so far. The political parties, today, are guided more by party interests rather than by national interests. The removal of these problems will accelerate the process of rural industrialisation in Nigeria. The role of governmental and non-governmental organizations in this regard is, indeed, commendable. But much remains to be done. If we all work together with undivided attention in this direction we can surely achieve success (Mondal, 2015).

According to UN, Report 2009 industrialisation in the rural areas of several nations is being hindered by challenges related to agriculture, climate change and migration, according to a new report by the United Nations Food and Agriculture Organization (FAO) and the World Bank. The changing face of rural space; agriculture and rural industrialisation in the rural area where agricultural trade deficits are widening and climate change is putting pressure on agricultural resources. In addition, young people are increasingly migrating to urban areas or abroad in search of economic opportunities. While the Nigerian rural areas are at different stages of development, they face similar challenges in modernizing their agricultural sectors to become

competitive in regional and global markets. The agro-food sectors are undercapitalized and highly fragmented, dominated by small producers with unsophisticated production and quality control systems, Processing capacity, a potentially critical part of the value chain, is also limited (UN, Report 2009).

It is noted that scarce credit or land, expensive inputs, degraded infrastructure and poor access to high-value markets are among the obstacles faced by some farmers. The prevailing challenges, as well as the region's on-going process of integration with the other parts of the world, are an opportunity. The need to meet members of the international community and other standards while addressing the industrialisation crises is a powerful incentive for improving industrialisation policy. Rural industrialisation is a source of growth, employment and food securities now need to be taken seriously. The need to look beyond agriculture as overall rural industrialisation in our region; what's needed is a balanced approach that emphasizes increased competitiveness of the agro-food sector while providing alternative income opportunities in rural communities to help future generations avoid the poverty trap, there is need for the international communities to come up with strategies to adapt to climate change, noting that the country is likely to face higher temperatures, reduced and more variable precipitation, and more frequent extreme climatic events, such as floods, droughts and heat waves (UN, Report 2009).

VI. FACTORS RESPONSIBLE FOR FAILURE OF INDUSTRIES IN NIGERIA

It is significant to note that most of the pioneer rural areas based industries could not stand the test of the adverse economic circumstance in the country. Consequently, a considerable percentage of them had to close down outright while others managed to secure an unimpressive existence. Manufacturing industries were shutting down one after another and workers were massively retrenched. Nigerian economy was battered by both external and internal forces. Externally, the recession in the advanced countries, together with worldwide inflation, adversely affected the country partly through high cost of imported raw materials for industries and partly through decline in demand and export prices of our petroleum. Internally, political rivalry and the struggle by the new civilian administration to establish themselves led to poor development focus and resource misallocation, especially as tremendous attention was directed towards political patronage. In addition, official corruption became wide-spread and reached staggering heights resulting in siphoning of the country's wealth overseas. It could therefore, be said that they fell victim of the adverse socio-economic and political circumstance (Ibiloye, 2013).

Also relevant to the survival of industries was Nigerian manufacturing, which was organised on periphery of technology. The technology acquired for the majority of the products has been limited to operation technology. Nigerians

mainly acquired the technique of operating production of the industries facilities, which was at the fourth stage of technology scale. The technological backwardness presupposed that very few skills were learnt and such skills do not form the basis for further innovations or independent solution to problems. Therefore, whenever there was any breakdown of equipment or machineries, foreign technical partners had to be contacted to fly in experts at a crippling cost to the industries.

Illegal payment on international trade was another significant feature of the Nigerian economy generally. Massive financial drain via overpayments for substandard and even fictitious imports was the order of the day. This is the crudest form of over-invoicing and faking of shipment papers. With the inflated cost of imported machinery, components, parts and raw materials added to the massively overvalued cost of civil engineering, electrical and other construction works and related aspects of erecting and commissioning the factories, a substantial cost of investment was often recovered by the foreign investors before any actual production started. Given these total costs of establishing industries, the products have to be sold at exorbitant prices if the original costs (or even part of these) were to be recovered. Therefore all of the nation's industries operated in a highly protected atmosphere, some of them being virtual monopolies. Their products of questionable quality end up costing higher than the imported goods they were supposed to replace. This often resulted in low patronage and accumulation of unsold stock in warehouses. The situation described above applied to large-scale industries where foreign partners were involved (Ibiloye, 2013).

However, the problem with small-scale industrial outfit takes a different dimension. Most of them were single proprietor and highly personalised ventures. Consequently, the business either dies when the energy and the flame of the pioneer owner dwindled or fizzled out of existence at the death of the creator, however, the industry only out-lived its owner by a few years. Particularly peculiar to most Nigeria rural area business environment was the general lack of basic infrastructures (roads, electricity, water supply, communications, and banking) as at the time of the take-off of some of the industries. The distance to large urban centre and the poor condition of the roads, also precluded access to viable markets where products of the industries could be easily sold. Most of the small-scale industrial outfits also faced the problem of increasing economic costs in the supervision of employees to the point at which they were not able to do their own work effectively. For these reasons, they were unable to continually take up the ever-rising demand for goods and services. This discouraged other prospective investors to undertake serious projects at the home base (Ibiloye, 2013). Some founder of these industries decided to leave the supervision of their project in the hand of a relation at home who mismanage the project and contributed in no small measure to the failure of the industrial project. Although

many of the industrial ventures located at home failed, some did survive the odd and are still in operation as at the time of this research. While a considerable number of sawmills are thriving in some areas probably because of their proximity to the source of abundant supply of raw materials (timber).

VII. TECHNICAL HITCHES OF INDUSTRIAL DEVELOPMENT ADMINISTRATION

The administrative set-up for executing the rural industrial development programme has been manifested with certain problems, such as the multiplicity of agencies (which result in the overlapping of the organizational structure, function, programme and schemes, etc., particularly at the field level of defying of the principle of integration of efforts), absence of adequate coordination, inconsistent personnel system (such as lack of adequate staff, particularly at the field level, maladjusted officials, lack of motivation among personnel), bureaucratization, corruption, favouritism and nepotism, the prevailing inefficiency, rigidly and delay in decision-making. The prospects of rural industrialization although optimistic, can become successful when the programmes and policies are formulated in broader perspective and implementation is effectively carried on through proper co-ordination. To provide marketing support it is suggested to set up a marketing development corporation for this sector. In order to solve the financial problem, it is recommended that the financial institutions should have a greater role to play in the expansion of rural industrialization and steps should be taken to promote smoother credit flow. In order to make the rural industrialization programme an effective instrument for removal of poverty and ameliorating the conditions of the rural weaker sections the need to adopt appropriate strategy to meet the set objective and well harmonise the output, employment and technological suitability of the rural industrial sector (Ayyar, 2011).

VIII. EFFECTS OF FACTORS OF IDENTITY, MODERNITY AND SUSTAINABILITY ON RURAL INDUSTRIALISATION

Identity appears to be a strong concept in any rural society, particularly in Nigeria. From the perspective of cultural institutionalism, identity has been defined by Ratner, (2004) as the shared sense of meaning, norms, traditions, and values that give life richness beyond fulfilling material needs alone. Because the norms and values forming the identity of different groups are necessarily distinct, this perspective prioritizes the recognition of diversity, which counters the universalizing tendencies often implicit in the rational choice approach. This definition thus focuses on pride of place, since different identity groups, e.g. in a rural setting, usually live in defined spatial units, be it a hamlet, a village, or a district. Following this definition of the term "identity," rural area would have a very strong identity. Traditions, norms and values are deeply ingrained and portrayed, and senses of meaning appear clearly even if they are only indirectly articulated; they are distinctly developed and often expressed

by the members of a group of rural inhabitants. Religions are powerful and proud, daily farming activities well experienced and settled, ethnic and religious conviviality mostly well developed and practiced, and common languages well preserved and marked (Hurni, 2007).

This strength of identity, however, is also a weakness in terms of future industrialisation, as it hardly allows room for innovation and change. The younger generation in the country is showing that its own interpretation of identity has started to differ from that of its ancestors. This is probably influenced by modern impacts from outside, through radio, education, the Internet and personal contacts, as well as through critical observation of the present state of peasant households. Most critical, however, is that elements of rural identity have been, and are still being, integrated into politics and policies concerned with industrialisation. This is done by people who grew up in rural areas and maintain their old identities, even if current circumstances require differential approaches. This is the case for a majority of the current political decision-makers at all levels of government (Hurni, 2007).

Furthermore, the case of modernity is another factor that affects rural industrialisation; where modern industrialisation is defined here as industrialisation that introduces and exchanges elements from and with other cultures and economies and uses them in one's own cultural setting. These elements may be material goods, information, institutional organisation or the adoption of norms and values. In many countries these processes can be rapid; in the past 30 years in particular, they have accelerated greatly and are now referred to as 'globalisation', particularly when they relate to trade, information, and cultural products and values. Modern industrialisation in rural area in Nigeria follows practices brought to the country mainly from outside, but which are adapted to local conditions and underlain by the values and norms of traditional rural area. The emphasis of modern industrialisation has thus been on infrastructure, such as road and air access, as well as on education and health services, and has also included the maintenance of natural resources, through influences from environmental movements in the North. In exchange for imported goods, coffee and skins have long been, and still are, important in rural areas as products produced for the market (Hurni, 2007).

Urban area have profited from organisational structures developed by government, such as postal services, railway services, government administration, educational systems, water supply systems, as well as road and airport networks and the services needed to implement and maintain them all which are lacking in rural areas. These latter elements of modern industrialisation, however, did not penetrate far into rural areas, although they were instrumental in the industrialisation of towns, which started to develop throughout the country whenever these services reached them. The rural society in Nigeria is far from industrialisation, not to speak of 'modern' industrialisation. If modernity is taken to

be the result of modern industrialisation there is little in rural area in Nigeria. However, strong influences can be observed in rural organisation, which comes from outside (Atakilte, 2002).

Modern industrialisation, however, should not be taken as a synonym for sustainable industrialisation, which is something fundamentally different. Sustainable industrialisation by definition is industrialisation that meets the needs of the present without compromising the ability of future generations to meet their own needs (Brundtland, 1987). This definition contains a notion of equitable balance between today's and tomorrow's generations, but also within the current generation. Of course both are very idealistic goals, but sustainable industrialisation is a useful concept to analyse current disparities as well as processes that may have negative effects in the future. Most commonly, three dimensions of sustainable industrialisation have been distinguished in practice: the ecological, social and economic dimensions. Two more could be added, namely the institutional and political dimensions that help differentiate the social dimension further (Hurni, 2007).

In the social dimension, sustainable rural industrialisation was ensured in the different cultural systems in the country. In the institutional dimension, rural areas would require much more integration into the state, similar to urban areas. Given the above five dimensions of sustainability, the role of spatial organisation in rural industrialisation should not be underestimated. In rural area sustainable industrialisation can be enhanced if a paradigm shift takes place from the current 'agricultural development-lead industrialisation' (ADLI) to a new 'industrialisation-based agricultural transformation' (IBAT) (Atakilte 2002).

Rural areas will require fundamental reforms in land use practices, technologies and organisation of labour and rural space. For farming, sustainable use of natural resources, including soil, water and biodiversity conservation, must become the basis of all agricultural activity in rural areas, as more of the current natural potential should not be lost (Pender et al. 2001). Rural areas will need massive investments not just in agriculture, but also in education, health, road access, pre and post-agricultural industries, food processing, land use planning, forestry, livestock development, and sustainable land management. This needs to be supported by policies addressing rural-urban linkages, land tenure issues (Atakilte 2002), and education and health, but also questions of demographic transition, which can be particularly supportive in accelerating this change. Demographic transition probably reached its peak in terms of growth rate several years ago, but may need to be emphasised until a more or less stable population number is reached in the longer-term future (Kamar et. al, 2014).

IX. INNOVATION AS A FACTOR IN RURAL INDUSTRIALISATION

According to Hall, (2004) innovation should lead to social and economic change, as a result of technological and institutional development. Institutional industrialisation means new ways of doing things, new norms, new ways of deploying science, and new ways of ensuring that poor stakeholders' needs are addressed. The open ended process of innovation can be a challenge to many organizations and societies, which are used to standard management practices that control linear processes with expected outcomes. Innovation in industrialisation is somewhat different from that in the private sector (Kelles-Viitanen, 2005). The private sector focuses mainly on product development. In development we also need to develop strategies and new, often integrated approaches that make a difference in poor people's livelihoods. Livelihoods are also rooted in societies and therefore social change is a part of any sustainable goal. In principle, everyone seems to agree that innovation is a good thing. In practice, innovation may not be welcome to all people (Kelles-Viitanen, 2005). Innovation unsettles old patterns of thinking and working. This can be a challenge to the status quo and vested interests (Keith Pavitt 2003).

According to Kelles-Viitanen, 2005 innovation in the interest of the rural poor can even generate conflict. An innovation process has to overcome conflicts, convince the people that have to be convinced and build the alliances necessary for the action to succeed. Knowledge and innovation is also a legislative issue requiring some safeguarding. It is also a patent issue, as it has been noted that the absence of financial and organisational competences of the indigenous and local people to monitor and enforce patents in modern economic space will inevitably lead to the use of their knowledge without due compensation (Pretorius, 2002). Their knowledge and innovation, therefore, need to be protected through multilateral recognition of their rights, including through TRIPS (Trade-Related aspects of Intellectual Property rights in WTO.). There is need to address the needs of the rural poor, to work with them and to promote local innovators and recognize farmers and other rural people as legitimate experts in the area where they work. there is need to support and help to upscale innovative and successful local action and move from problem-based programs towards strengthening the solutions to be found in local communities, building upon existing strengths and initiatives and supporting innovation (Barnett 2004).

X. THE EFFECT OF FACTORS OF SOCIAL PROTECTION, SHOCKS AND VULNERABILITY IN RURAL INDUSTRIALISATION

Rural people are usually more exposed to risk than urban people, and less able to count on state intervention to mitigate risk or relieve its effects. Rural livelihood vulnerability may be increasing, as a result of rising inequality, increasing incidence of HIV/AIDS, civil conflict,

increasingly severe weather events, and the adverse consequences of globalisation. Community-based social insurance has provided an adequate safety net in the past, and can do so in the future. The evidence is not convincing. Community efforts were never able to deal with large-scale, communitywide risk; and, more generally, the 'moral economy' on which they were based has been weakening. Public action is thus justified, and public transfers can provide both a safety-net, and, with careful design, for example using works programmes, a springboard out of poverty (Maxwell, et.al 2001).

Conflict presents an especially difficult challenge and it is long-standing and pervasive in many countries, with a debilitating impact on both the assets and livelihood options of the poor. The Governments of conflict-affected countries often rate very poorly in Country Policy and Institutional Assessments (CPIAs) and donors are often trapped in out-dated notions of a relief to development continuum. Intervention to protect and support the poor is necessary, but fraught with ethical and political dilemmas (Farrington). Preventing and managing conflict has a debilitating impact on rural livelihoods, and increasing levels of conflict threaten the achievement of rural industrialisation targets. Donors will need to escape from the conceptual and programmatic constraints of a linear approach to relief and development (Maxwell, et.al 2001).

Rural risks and vulnerability is another factor that affect rural industrialisation; the rural poor face new risks due to increasing natural disasters and rapid economic change. External support for risk-mitigation and coping strategies is generally insufficient. Public and private roles in supporting insurance and risk-coping need to be strengthened, which in turn depends on the fiscal burden being addressed. It is worth pointing out that rural industrialisation is not exactly a single sector, so that some kind of higher level planning device will be needed. The challenge will be to avoid the pitfalls of data-hungry, administratively complex models which undermined the viability of integrated rural industrialisation approaches in the 1970s (Maxwell, et.al 2001).

XI. FACTORS FOR INDUSTRIAL UNDERTAKINGS IN RURAL AREA IN NIGERIA

The conventional factors that often dictate the location of industries are availability of raw materials, labour, land, and market. However, what motivated individual entrepreneur were not these classical economic factors but personal individual considerations such as level of capital accumulation and self-esteem. The motivation for industrial ventures was basically government policy that encouraged import substitution, which made business environment conducive to local initiative. Another motivation was the personal ego of the rural entrepreneurs, who saw their ventures as a way of demonstrating the level of business success in Lagos to the home people. This was with little or no consideration for the viability of the project, especially the

home based ones. This probably accounts for the short lives of most of the industrial enterprises, in the home region and those that lived long at all could not outlive the creators' span of life, as most were single proprietor enterprises (Ibiloye, 2013).

It is clear that the authority provided neither the motivation nor the infrastructure required for the industrial development in Nigeria. Therefore, the few initiatives taken by those that felt prompted to go into industrial ventures got their motivation not from the authority but through a rather bizarre kind of situation. Some of these industrial ventures are still thriving today, while many of the home-based ones have either liquidated or struggling to manage a precarious existence. While the failure of businesses generally in Nigeria might be attributed to the general downward trend experienced by the nation's economy, certain economic factors are identifiable to be peculiar to the home environment, which made business failure inevitable. Consequently, apart from village patriotism which has been highlighted as motivating industrial location, the inducement that went along with this policy in terms of tax rebate for industries located in rural areas, motivated some migrants to locate their industries at the home region (Ibiloye, 2013).

11.1 Industries in the homeland

The basic source of motivation for most of the industrial set-up at home was as much love for the home land (community patriotism) as the ambition to satisfy personal ego of successful Lagos migrants. It was prestigious and ego boosting to display the level of one's success abroad in the presence of the home community. All migrants maintained strong links with their home community mainly because they conceived of themselves as temporary absentees with a long-term stake in the joint prosperity of their village community. Hence, migrants invested in enterprises at home as the village economy depended virtually on them to relieve pressure on dwindling domestic resources and to fill consumption and investment needs of relations at home. Industries such as Iron and steel, candle, saw milling, block making and garment filled this area of interest (Ibiloye, 2013).

The establishment of an industry at home was therefore, seen as a way of promoting high level of development. The premise here was that the production activity would stimulate the economic growth of not only the location village but also its immediate neighbours and alleviate some of the distress in the rural community. The generation of employment opportunities in the centres as well as its surrounding region would thereby reduce out migration, the demand for industrial raw materials, the stimulation of food production in the surrounding villages and the gradual improvement in social and infrastructure facilities were corollary to this (Ibiloye, 2013).

11.2 *Consequences of industrialization on the home and the host regions*

The Industrial transformation that took place in some industrialised rural environin Nigeria should be viewed within the context of the nation's economy and therefore subject to its ups and downs. Consequently, the general poor performance and ultimate closure of some of these industries at the time the nation's economy was witnessing a negative growth was a function of the state of the nation's economy. However, one distinct impact of industrialization it would seem was the psychological, rather than physical effect of industrialization on the social status of the people in Lagos and other urbanise society.

Industrial outfit provided alternative opportunities for job seekers. This in effect reduced unemployment and prevented crime-wave to some degree, which had become endemic. Industrialization generally created wants within the host society, which had to be satisfied with the products of the industry. The industries along with other similar initiatives, boosted economic activities in the adjoining villages; the significant rise in the Gross National Product this produced, meant higher incomes for substantial proportion of the population and an improved condition of living for dwellers and its environ. The establishment of industries engendered certain economies of location including the concentration of labour force and auxiliary services. It localized the consumer and industrial markets, which attracted other industries and services and unleashed a process of circular economic activities (Green, 1971). The rural industrialisation was a way of promoting high level of development over a much wider area (Aguda, 1991). The premise here was that the growth centre activities stimulated the growth of the adjoining villages by alleviating some of the distress. In this regard, the concept of "spread/trickling down effects", versus the "backwash/polarization" effects of activities in the growth centres became very relevant (Ibiloye, 2013).

The generation of employment opportunities in the industrial centres in rural areas, as well as its surrounding regions invariably will result to reduction to a considerable degree incidence of out migration from the rural areas. Some youths who could now find work in the industrial sector found no need moving to Lagos and other industrialised city. The demand for industrial raw materials, the stimulation of food production in rural area, and the gradual improvement in social and infrastructure facilities of the home region were some of the positive effects of industrialization on rural area. There was considerable population increase as a result of establishment of industries in some towns. Social life became enlivened to provide services to the industrial labour force.

There was considerable socio-economic change due to industrialisation in some area as subsistence economic activities gave way to industrial production. The experience of urban conditions will transformed the nature of the homeland with the emergence of a booming rural industrialisation,

educational institutions and social welfare. The improved communication, which all these entailed, changed the pattern of local opportunities. It is no mere coincidence that the provision of social infrastructures through communal efforts, which characterised public life in the nineteen seventies and eighties, came at a period the economic life of the people was being transformed through the location of industrial projects in some area. Provision of educational institutions such as universities, and other higher institution, electrification, tarring of township roads, construction of town halls, provision of water, construction of hospitals and health centres in and around the rural area, all of which brought improved standard of living to the people, were all products of the period of industrial growth and could be said to be attributable to it rural Industrialization that reduced migration (Ibiloye, 2013).

However, one negative consequence of Industrialization was the inevitable disruptive changes that this brought to the traditional pattern of expectation leading to a total breakdown of social order. When the needs and aspirations of people are transformed in such a way that the normative framework is no longer reflected in their internalised attitude, a conflict situation will results; In this way the rural communities were gradually, but surely, losing their time-honoured traditional values of honesty and genuine and disinterested concern for the welfare of their fellow men (Imoagene, 1967). This was a price the rural community had to pay for industrialization and modernization brought to its doorstep (Ibiloye, 2013).

XII. MEASURES OF ACCELERATION AND SUSTAINABLE RURAL INDUSTRIALISATION IN NIGERIA

Rural Industrialisation has evolved over the years, in a symbiotic relationship with thinking about rural development more generally: from community development, through the green revolution, to integrated rural industrialisation, and increasing attention to sustainable livelihoods. With agricultural intensification and with policy and institutional failures; its main prescriptions have to do with liberalising and developing markets, improving service delivery, building public-private partnerships, and decentralisation.

Examining ways in which the assets of the poor (social as well as physical and human) can be strengthened and then used to pursue a variety of different agricultural and non-agricultural activities. Rural industrialisation has much strength, in its emphasis on: improving incentives and services; investment in infrastructure, governance, human resources, and research and extension; and private sector service delivery. The basics areas are investment in infrastructure and human capital, and 'activation' of credit, capital and land markets. Beyond the basics, priorities are to develop industrial 'clusters' and growth points, and to support

urban links. Pro-poor labour markets contribute to diversification (Maxwell, et.al 2001).

Most new technologies can be characterised as being very specific (for particular environments, conditions, or markets), or information intensive (requiring that people learn new management techniques). In these circumstances, if new technology is to contribute to rural industrialisation, it must meet three challenges, these include: identifying the most efficient mechanisms for providing information to people; setting technology development policies that distinguish among different types of rural household; and identifying a clear mandate and sustainable support for public research. The private sector can play a part, but public support to research and information delivery will be essential; the irony is that public sector research and extension services are often moribund (Maxwell, et.al 2001).

XIII. RECOMMENDATIONS

To have reasonable rural industrialisation the following recommendations should be adopted: The so-called state and local government joint account should be stopped and should give local government autonomy and full responsibility for their own share of federal fund allocation; International agencies who want to invest in projects that have direct bearing on the life of rural people should have direct access to those communities; Self-help project should be encouraged among the rural communities by both the federal and state government; Though joint account between state and local government should be discouraged, but the state government must make it mandatory upon itself to monitor the spending of the local governments; Only projects that have direct bearing onto the life of rural communities should be the priority; Youth and women organization must be involved in the programme of rural development; Developmental projects should not be concentrated in the local government headquarters. Let the projects be spread to cover rural communities within the local government and Private companies should be encouraged to invest and build industries in rural communities with abundant raw materials.

Secondly, the promotional policies and programmes should be adopted to increase the productivity and competitive strength of village industries. The need for the expansion of village and small industries at different levels so as to provide the facilities of raw materials, technical advice, credit, marketing etc., the policy of providing satisfactory arrangements for marketing research, rural electrification, improvement of the housing conditions of artisans, and of credit and finance should be encourage etc. It would be necessary to improve skills and provide a combination of incentives and disincentives for securing decentralization and dispersal of small industries. Establishment of small industries to facilitate the attainment of some of the major tasks for the removal of poverty and inequality in consumption standards of the people through the creation of large scale opportunities

and additional productive employment and improvement of their skills so as to improve their level of earnings.

Furthermore, to facilitate the location of industries in rural areas and to integrate agriculture and industry, a new scheme of 'Integrated Infrastructural Development for Small Industries' should be established with the active participation of State Governments and financial institutions. Besides, certain measures to strengthen the Village Industries and improving the quality and marketability of their products with consumer preferences instead of merely depending on rebates and subsidies through the area development approach that has been extended throughout the country.

There is need to established: National Programme for Rural Industrialization (NPRI) that will promote Agro & Rural Industries in collaboration with the Ministries/agencies engaged in similar programme, in addition Integrated Infrastructural Development (IID) Centres: Rural Industrial Units that emphasises in bringing of scattered artisans under the institutional framework of cooperative and registered institutions by providing them finance, improved tools and equipment and marketing facilities. Assistance should be provided in area of science & technology and training, domestic market development, Export promotion and trade information service and Welfare measures

A comprehensive rural industrial policies addressing various issues and challenges faced by rural industrialisation need to be evolved; Reservation of certain industrial activities should be made exclusively for rural industries; Industries of labour intensive nature need to be patronized in rural areas; A separate labour code for unorganized labour need to be evolved; The unorganized work force has to be transformed into organized one through self-help mechanism; A close rapport between technical educational institution and rural industries need to be created to help the latter to improve productivity, quality, and technology and so on; Higher educational institution may take upon the task of spreading entrepreneurial awareness among the rural masses through entrepreneurial cells; There is a need to redefine small, medium and tiny industries in current context for getting various concessions and privileges from the Government and financing agencies; The role of federal and state Government in promoting rural industries should be demarcated. Financing agencies of different types may continue to support the small and tiny industries as a part of their social obligation. Government should ensure marketing support to rural industries by advising the Government departments to compulsorily buy the requirements from rural industries.

A comprehensive and effective legal structure needs to be established to safeguard the rights and interests of workers, as well as to prevent irregularities in financial matters especially at the local level. Since workers, especially women, face disadvantages in regard to wages and contracts, there is a need to create a more gender friendly labour policy as well as to properly implement existing policies. Since rural

industrialisation has proved to be an effective solution to the problems of rural development, central government should consider ways and means of implementing preferential policies effectively in Nigeria.

Tax advantage should be granted to rural area in proportion to their contribution to local economic development, especially to agriculture and social development. Rural industrialisation has reached a level of production where more technical inputs are required. The state should play an active role in promoting the technological development of rural area so that their products are more acceptable in the international market.

If sustainable economic development has to be achieved it is essential that rural industrialisation must be a priority. For rural Industrialisation modernization of agriculture is the most important requisite. This will lead to improvement in the economic conditions of the rural masses. The increased purchasing power of the rural masses will provide larger market for the products of the manufacturing sectors. It is essential to greening rural development which refers to a variety of activities that regenerate and conserve the natural resource base, innovate and use clean materials, technologies and processes to create environment-friendly products, livelihoods, enterprises and jobs.

XIV. CONCLUSION

The prescriptions currently on offer do not always capture the degree and pace of change in rural areas, and new narratives are needed to deal with challenges such as globalisation, urbanisation, the de-agrarian of rural space, the increasing diversity of rural environments, and the special problems of low potential areas, others to include special attention to: the growing diversity of livelihood strategies; rural poverty in low potential areas; the imperative need for stronger social protection; conflict resolution and management; the crisis of HIV/AIDS and Ebola and other health related diseases; and the need for greater decentralisation and devolution rural circumstances that are changing; development thinking is changing; and rural industrialisation policy needs to keep up.

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