DSPG 2.0009/dspgjournal 07/2017
Delta State Polytechnic Ogwashi-uku Journal
www.dspgjournal.com ISSN: 2545 5222

ECONOMIC DIVERSIFICATION AND ENTREPRENEUSHIP FOR SUSTAINABLE DEVELOPMENT IN NIGERIA.

BY

OKONKWO, NKEM CHRISTABEL
DEPARTMENT OF BUSINESS ADMINISTRATION
DELTA STATE POLYTECHNIC
OGWASHI UKU
christab2001nk@yahoo.co.uk

08062554249

AND

AKWUKWUMA, NKECHI
DEPARTMENT OF BUSINESS ADMINISTRATION
DELTA STATE POLYTECHNIC
OGWASHI UKU
Queennkechi4life@yahoo.com
08135715190

DSPG 2.0009/dspgjournal 07/2017

Delta State Polytechnic Ogwashi-uku Journal

www.dspgjournal.com ISSN: 2545 5222

Abstract

*This research focused on the need for a radical rethinking of policy makers regarding the deteriorating nature of the economy of Nigeria. The shock of the dramatic fall in the price of crude oil has negatively impacted Nigeria's economy due to its mono-*economic trade *nature. In the light of this experience, the need to seek alternative means of sustaining the economy cannot be overemphasized. This paper therefore details the scope and importance of diversification and entrepreneurship for sustainable economic development in Nigeria. Descriptive and historical analytical methodology was adopted for the study. An overview of the economic status of Nigeria is followed by a moderately detailed summary of Igor Ansoff's model for growth. The paper concludes that the challenges confronting the successful kick off of policies must be properly understood and addressed. It recommends that government should develop and implement effective economic diversification strategies, sound macroeconomic policies, infrastructural development policies directed at reengineering the business environment and also carry out an oversight function by providing frameworks for monitoring the policies in a bid to reducing corruption for sustainable economic development.*

Key words*: Development, Growth, Diversification, Economic Diversification, Conglomerate Diversification, Entrepreneur and Entrepreneurship*

DSPG 2.0009/dspgjournal 07/2017
Delta State Polytechnic Ogwashi-uku Journal
www.dspgjournal.com ISSN: 2545 5222

Introduction

Following the drastic drop in the price of crude oil, a major source of revenue for Nigeria, there is need for the country to urgently evolve an action plan for the diversification of the economy from near sole dependence on the commodity, in order to meet the ever-growing challenges of growth and development. Researcher's like Imbs and Wacziarg (2003) asserted in their work that higher incomes per capita are associated first with diversification and then with reconcentration in production and employment. It appears that Vibrant economies usually generate a large share of their GDP in the manufacturing and service sectors. Therefore, an economy that heavily depends on income originated in the mining sectors, sustaining long-term economic growth is challenging because of volatility in commodity prices and allocative inefficiencies. Economic diversification can be beneficial to developing countries. However there are hindrances that obstruct its incorporation and efficiency.

According to Diarra (2011) in Sonja H. A. Fraser (2014) a hindrance for economic diversification in the developing world is how to prevent instances of 'overspecialization'. This is a situation where some countries develop systems and procedures for some specific area of the economy but find it difficult to transfer this expertise to others sectors or even related activities. Furthermore, with limited credit from foreign investment, policy makers are often times prevented from investing in new sectors leading to further concentration of economic activity.

Additionally there are significant trade barriers that exist which limit firms from developing states from competing against their counterparts in the global market. This is presumably because of limited access to finance, administrative obstructions, weak production capabilities including many other factors that reduce both their ability to diversify and be more competitive. (Ramacharan 2005, 11; Diarra, Gurria & Mayaki 2011, 13)

From a political perspective, the challenge that policy makers face according to Esanov (2010) in Sonja H. A. Fraser (2014), is that of identifying and taking into consideration the policy limits involved in diversification. The implication is that policymakers have not considered intensively, the effect of focusing on one sector or resource that shows potential for diversification. This is due to the fact that although governments in the developing world have the policy instruments needed to initiate structural change as well as the diversification process; it is choosing the right instruments that determine the success of economic diversification in the long run.

Lastly, another remarkable hindrance to the global incorporation of economic diversification is the fact that ineffective policies regarding economic development are still being held and used by policy makers especially within export oriented, resource rich countries. The presumed cause for this is the lack of pressure by both citizens and international institutions that have economic ties to these regions to have them altered or rendered obsolete by policy makers. (Ahmadov, 2012; Gleb, 2010)

Background of the study

Before independence in 1960, the economy was characterized by the dominance of exports and other commercial activities. There was no viable industrial sector. In 1971, the contribution of agriculture to GDP stood at 48.23 per cent. By 1977, it had declined to almost 21 per cent. Agricultural exports reduced from 20.7 per cent of total export in 1971 to 5.71 percent in 1977. The discovery of oil in commercial quantity in the mid-1950s, coupled with the oil-boom resulting from the Arab oil embargo on the USA in 1973, affected the agricultural sector adversely. The economy became heavily dependent on oil. By this time, oil revenue represented almost 90 per cent of foreign exchange earnings and about 85 per cent of total exports. While the boom afforded the government much needed revenue, it also created serious structural problems in the economy. The agricultural sector was most hit. Rural urban migration increased, as people attempted to reap or benefit from the windfall from oil. Food production became a problem. Starting from 1974, the economy became a net importer of basic foods and huge foreign exchange earnings were utilized in importing food. Nonetheless, prices of foodstuff remained high as Policies like Operation

DSPG 2.0009/dspgjournal 07/2017
Delta State Polytechnic Ogwashi-uku Journal
www.dspgjournal.com ISSN: 2545 5222

Feed the Nation (OFN) programme could not reverse the deteriorating food situation. Government became involved in direct food production, provided subsidies to peasant farmers and created more commodity boards for various agricultural and food products. The table below represents the Gross Domestic Product At 1984 Factor Cost

Table: Gross Domestic Product At 1984 Factor Cost (Naira Billion)

	ACTIVITY SECTOR	1998	1999	2000	2001
1.	**Agriculture**	**45.25**	**47.60**	**48.99**	**50.8**
	(a) Crop Production	**36.10**	**37.99**	**39.13**	**40.6**
	(b) Livestock	**5.89**	**6.06**	**6.20**	**6.38**
	(c) Forestry	**1.38**	**1.40**	**1.42**	**1.45**
	(d) Fishing	**1.88**	**2.15**	**2.24**	**2.41**
2.	**Industry**	**20.53**	**19.77**	**21.44**	**22.4**
	(a) Crude Petroleum	**13.48**	**12.47**	**13.87**	**14.5**
	(b) Mining and Quarrying	**0.36**	**0.37**	**0.39**	**0.42**
	(c) Manufacturing	**6.69**	**6.93**	**7.18**	**7.48**

3.	**Building and Construction**	**2.36**	**2.46**	**2.55**	**2.86**	**3.35**
4.	**Wholesale and Retail Trade**	**13.29**	**13.62**	**13.84**	**14.18**	**4.68**
5.	**Services**	**31.52**	**32.69**	**33.82**	**35.34**	**7.38**
	(a) Transport	**3.54**	**3.64**	**3.75**	**3.91**	**4.10**
	(b) Communication	**0.34**	**0.37**	**0.37**	**0.47**	**0.59**
	(c) Utilities	**0.60**	**0.61**	**0.63**	**0.68**	**0.88**
	(d) Hotel and Restaurant	**0.55**	**0.57**	**0.59**	**0.62**	**0.65**
	(e) Finance and Insurance	**10.79**	**11.16**	**11.61**	**12.13**	**12.73**
	(f) Real Estate	**0.34**	**0.35**	**0.37**	**0.39**	**0.41**
	(g) Housing	**2.84**	**2.94**	**3.06**	**3.21**	**3.39**
	(h) Producers of government services	**10.86**	**11.06**	**11.29**	**11.57**	**11.91**
	(i) Comm, Social and Personnel Services	**1.6**	**1.99**	**2.15**	**2.36**	**2.72**
	Total (GDP)	**112.95**	**116.14**	**120.64**	**125.7**	**129.83**
	Non-oil (GDP)	**99.47**	**103.67**	**106.77**	**111.13**	**117.23**

DSPG 2.0009/dspgjournal 07/2017
Delta State Polytechnic Ogwashi-uku Journal
www.dspgjournal.com ISSN: 2545 5222

	GDP Growth Rate (%)	**2.30**	**2.82**	**3.87**	**4.21**	**3.27**

Source: Federal Office of Statistics (FOS) and National Planning

CONCEPTUAL FRAMEWORK

Concept of Development

Development is a concept that defines a situation where there is a positive change in the institutional arrangement of a society which eventually translates to a better life for people living within the society. The term development is oftentimes synonymous with growth. Economists have tried to make a distinction between economic growth and economic development. Iyoha, Oyefusi, & Oriakhi (1998), Jhingan (1997) assert that the terms growth and development have nothing to do with the type of economy but that the distinction relates to the nature and causes of change.

Entrepreneurship

According to Inegbenebor (2006), Entrepreneurship is about learning the skills needed to assume the risk of establishing a business. It is about developing the winning strategies and executing them with all the vigor, persistence and passion needed to win any game. Economists view entrepreneurship in the context of the combination of resources, labor, materials, and other assets such that their value is greater together than individually. From a management perspective, entrepreneurship would entail the introduction of a change, an innovation, or a new order. To a business administrator, an entrepreneur would be analyzed as a person typically driven by the need to obtain or attain a specific goal, to experiment, to accomplish, or perhaps to escape the authority of others. However, the operational definition

DSPG 2.0009/dspgjournal 07/2017
Delta State Polytechnic Ogwashi-uku Journal
www.dspgjournal.com ISSN: 2545 5222

of entrepreneurship is the willingness and ability of a person or persons to acquire skills to explore and exploit investment opportunities, establish and manage a successful business enterprise. This means that entrepreneurship is the act of starting a company, arranging business deals and taking risks in order to make profit through the skills acquired.

On the other side, the word “entrepreneur” can be defined as an innovative individual who has developed an ongoing business activity where none existed before. Meredith (1983) defined an entrepreneur as a person who possesses the ability to recognize and evaluate business opportunities, assemble the necessary resources to take advantage of them and take appropriate action to ensure success. According to Ottih (1995), entrepreneurs are characterized as result oriented, innovative, independent and optimistic individuals. The World Bank’s definition states that entrepreneurs are people who perceive profitable opportunities, are willing to take risks in pursuing them and have the ability to organize a business. This means that entrepreneurs engage in a wide range of activities. An entrepreneur possesses special ability in the modern mechanized and complex production system. He occupies a very important place in production.

ENTREPRENEURSHIP AND SUSTAINABLE DEVELOPMENT IN NIGERIA

In a research done by Obiajuru (2012) in Okezie, Alex & Asoluka (2013), Entrepreneurial forces are relatively strong in this country. It has become paramount in a “specially tottering economy” like Nigeria’s, that her citizens, young and old alike unemployed, under-employed and even the employed take on enterprising and risk-taking characteristics in order to sustain family and self above the poverty line. Like natural traits, the average Nigerian is alert to grabbing as much as he can while he can to stay afloat. In the last decade more Nigerians have attended entrepreneurial trainings, taken courses in entrepreneurship than ever before. Virtually all young graduates have been tutored or received some form of tutoring on the topic. Entrepreneurial forces are relatively strong in Nigeria, as the lack of jobs and a rise in poverty leave few other options for the Nigerian people. Although difficult,

DSPG 2.0009/dspgjournal 07/2017
Delta State Polytechnic Ogwashi-uku Journal
www.dspgjournal.com ISSN: 2545 5222

due to lack of resources, there are non-profit organizations such as the Fate Foundation in Nigeria that are dedicated to promoting entrepreneurship. It is evident that the subject matter "Entrepreneurship" is no longer news in Nigeria. Thus the importance of Entrepreneurial development cannot be overemphasised.

Also , Orishede E. (2014) examined the contributions of entrepreneurial development to economic growth in Nigeria in six small and medium scale enterprises in Asaba, delta State. The findings indicated that Job creation and increase in national income are the contribution of entrepreneurial development to economic growth and that lack a story patent law and lack of knowledge of entrepreneurship in the basic science and technology constitute the challenges to entrepreneurial development. the study however, recommends that there is need to change the mud set of young people to embrace self employed job rather than waiting for non existing government job and there is need for government to set up workshops where young and old entrepreneurs on acquire new skills needed for their businesses.

In another work done by Riti & Kamah M. (2015), they investigated the potency of entrepreneurship to generate employment, underscore the significance and relevance of this sub-sector in the sustainable development of any given economy. Data was sourced from central bank statistical bulletin, National Bureau of Statistics, World Development Indicators and CIA fact sheet and the institutional publications to provide empirical basis for the study that spanned from 1980-2013. Based on the finding the study recommended that if Nigeria government must utilize its economy unemployment progressive and generate more employment opportunities for sustainable development paradigm shift in policy that is critical to effective entrepreneurship development becomes imperative. This can be done through building more capacity utilization and creation of enabling environment for industries to thrive.

HOW DOES ENTREPRENEUSHIP HELP IN CREATING JOB OPPORTUNITIES?

Perception and Identification of business opportunities: The entrepreneur spots a need that he/she can satisfy with a product or service. He focuses upon a particular need, defines it clearly and determines the unique features of the product or service that he believes can satisfy the need adequately.

Selection of the legal form of the enterprise and obtaining the necessary licenses, permits and approvals: The enterprise may be Sole Proprietorship, Partnership or a limited Liability Company. The entrepreneur must carefully consider these alternatives and choose the form that he considers most suitable.

Identification, Selection and Acquisition of Key Resources: The resources include Location and site, competent team of personnel to translate the ideas into reality, Money to pay for promotion expenses, acquire fixed assets and use as working capital etc the acquisition of appropriate technology is also a very crucial function of the entrepreneur.

Risk Bearing: Entrepreneurs bear the risk of loss of their investment arising from fire, accidents bad debts etc. He anticipates these risks and takes actions to avoid or minimize their impact on the enterprise.

Innovation*:*
Innovation plays an important role in modern business. The entrepreneur makes arrangements for introducing innovations which help in increasing production on the one hand, and reducing costs, on the other. Innovations may take the form of the introduction of new methods in the process of production or introducing improvements in the existing methods. Innovation could be process innovation, market innovation, product innovation, factor innovation, and even organizational innovation. Both innovators and entrepreneurs can be engines of growth in a society. The entrepreneurial function of discovery of new markets, raw materials and new techniques of production is referred to as diversification. One of the most prominent models for Diversification was that propounded by Igor Ansoff.

DSPG 2.0009/dspgjournal 07/2017
Delta State Polytechnic Ogwashi-uku Journal
www.dspgjournal.com ISSN: 2545 5222

AREAS TO BE LOOKED INTO FOR DIVERSIFICATION

Hospitality/Tourism Industry: The endowment of a country with natural and man-made resources is evidently a major factor for tourism development. In pioneering cross-country analysis, Lanza and Pigliaru (2000) show that countries with a relative abundance of natural resources have a higher propensity to specialize in tourism and can hope to embark on faster economic growth.

Agriculture: It is a major branch of the economy in Nigeria, providing employment for over 70% of the population, providing man with Food crops, cocoa, rubber etc. If fully explored would contribute to the economic growth of Nigeria.

Textile Industry: The textile industry in Nigeria is the third largest in Africa after Egypt and South Africa. It is the largest employer of labour in the manufacturing sector and should be resuscitated by the government.

Indigenization Policies on technology that will suit Nigeria should be made. Public- Private partnership should be critically looked into for better performances. There should also be efforts towards strategic alliances vis a vis joint ventures with other nations through trade agreements.

The Igor Ansoff Growth Matrix

This matrix portrays alternative corporate growth strategies; the matrix focuses on a firm's present and potential products and markets (customers). By considering ways to grow via existing products and new products, and in existing markets and new markets, there are four possible product-market combinations. Ansoff's matrix is shown below:

DSPG 2.0009/dspgjournal 07/2017
Delta State Polytechnic Ogwashi-uku Journal
www.dspgjournal.com ISSN: 2545 5222

	Existing Products	New Products
Existing Markets	Market Penetration	Product Development
New Markets	Market Development	Diversification

Source: ***Harvard Business Review on Strategies for Growth***

Ansoff's matrix provides four different growth strategies:

Market Penetration - The market penetration strategy is the least risky since it leverages many of the firm's existing resources and capabilities. In a growing market, simply maintaining market share will result in growth, and there may exist opportunities to increase market share if competitors reach capacity limits. Therefore, a firm that seeks to achieve growth with existing products in their current market segments and also aims to increase its market share will adopt this growth strategy. However, market penetration has limits, and once the market approaches saturation another strategy must be pursued if the firm is to continue to grow.

Market Development – This option include the pursuit of additional market segments or geographical regions. The development of new markets for the product may be a good strategy if the firm's core competencies are related more to the specific product than to its experience with a specific market segment. Because the firm is expanding into a new market,

DSPG 2.0009/dspgjournal 07/2017
Delta State Polytechnic Ogwashi-uku Journal
www.dspgjournal.com ISSN: 2545 5222

a market development strategy typically has more risk than a market penetration strategy. The focus of this strategy is growth by targeting its existing products to new market segments.

Product Development - A product development strategy may be appropriate if the firm's strengths are related to its specific customers rather than to the specific product itself. In this situation, it can leverage its strengths by developing a new product targeted to its existing customers. Similar to the case of new market development, new product development carries more risk than simply attempting to increase market share. A firm uses this type of strategy to develop new products targeted at its existing market segments.

Diversification – This is the most risky of the four growth strategies since it requires both product and market development and may be outside the core competencies of the firm. In fact, this quadrant of the matrix has been referred to by some as the "suicide cell". However, diversification may be a reasonable choice if the high risk is compensated by the chance of a high rate of return. Diversification helps a firm to gain a foothold in an attractive industry and the reduction of overall business portfolio risk. The focal point of Diversification strategy is growth by going into new businesses and developing new products for new markets.

Concept of Diversification

Diversification is a portfolio strategy designed to reduce exposure to risk by combining a variety of investments, such as stocks, bonds, and real estate, which are unlikely to all move in the same direction. The goal of diversification is to reduce the risk in a portfolio. Diversification is "having variety of character or form or components; or having increased variety" When something is *diversified*, it is diverse, meaning varied. If your investments are *diversified*, it means you have put money in more than one place: real estate, stocks, bonds, race horses, gold, alligator farms, and so on (vocabulary .com). Diversification is a technique that reduces risk by allocating investments among various financial instruments, industries and other categories. It aims to maximize return by investing in different areas that would each react differently to the same event.

Most investment professionals agree that, although it does not guarantee against loss, diversification is the most important component of reaching long-range financial goals while minimising risk. In the early stages of development, diversification is intimately related to structural transformation. Both theory and evidence indicate that economic development ultimately involves structural transformation—that is, the continued, dynamic reallocation of resources from less productive to more productive sectors and activities.

In a research done by McMillan and Rodrik, 2011, and Lin, 2012) in Chris Papageorgiou and Nikora Spatafora(2012)(this literature has recently been reignited . Prime examples are the development experiences of the East Asian Tigers and Tiger Cubs in the 1970s and 1980s, and many ex-Soviet bloc economies in the 1990s, as they transformed from relatively agrarian economies toward manufacturing. Low Income Countries (LICs) still remain largely specialized in agriculture and other resource-based activities with limited potential for quality upgrading. In their case, structural transformation will inevitably

DSPG 2.0009/dspgjournal 07/2017

Delta State Polytechnic Ogwashi-uku Journal

www.dspgjournal.com ISSN: 2545 5222

involve diversification, both in terms of domestic production and, given small domestic market size, external trade.

Conglomerate Diversification

Conglomerate diversification is growth strategy that involves adding new products or services that are significantly different from the organization's present products or services. Conglomerate diversification occurs when the firm diversifies into an area(s) totally unrelated to the organization current business. Most conglomerate diversifications are based on the rationale that expansion into unrelated industries has a very attractive potential. This is a type of diversification whereby a firm enters (through acquisition or merger) an entirely different market that has little or no synergy with its core business or technology. (http://www.businessdictionary.com). This strategy can be also called unrelated diversification.

The Problems with conglomerate or unrelated diversification is that Managers often lack expertise or knowledge about their firms' businesses. The Reasons why this strategy is considered is to continue to grow after a core business has matured or started to decline or to reduce cyclical fluctuations in sales revenues and cash flows.

Economic Diversification

Unlike economic development which involves the retention of present economic structures and polices while developing new and different policies which will improve the performance of the present structure, economic diversification is an alternative which requires a departure from current structures and policies. This implies that there has to be an adaptation of new skills, techniques, policies and economic strategies for development. There are many factors supporting the implementation of a diverse economic model within the economic structure of a country. These factors include but are not limited to the distribution of risk and the reinvestment of earnings. (Ansoff, 1957).

DSPG 2.0009/dspgjournal 07/2017
Delta State Polytechnic Ogwashi-uku Journal
www.dspgjournal.com ISSN: 2545 5222

Economic diversification is generally defined as the process in which the economy becomes more diverse in terms of goods and services it produces. Export diversification refers to deliberate policies intended to change the shares of commodities in the existing export mix, introduce new products in the export portfolio, and/or break into new geographical markets. Both types are believed to propel economic growth, create an environment conducive to productive investment, and reduce short-term macroeconomic volatility.

At the national level, economic diversification takes place by reducing a country's overdependence on a narrow economic base. In resource-dependent countries the process entails moving the production base away from the extractive sector by supporting manufacturing and other non resource sectors. This process can be broadly defined as industrialization.

At the industry level, the diversification debate boils down to the selection of particular industries that have the potential to expand and ultimately develop sufficient capacity to compete with advanced economies in the global market.

In an empirical study done by Imbs and Wacziarg (2003), they demonstrated that as income increases, economies become more diversified. Klinger and Lederman (2004) extend this research to export diversification trends and arrive at the same conclusion: the relationship between the number of new export products and per capita income can be characterized by an inverted U-curve. These findings strongly support the view that industrialization and product diversification are integral parts of the economic development process.

ECONOMIC DIVERSIFICATION AND SUSTAINABLE DEVELOPMENT IN NIGERIA

Anyaehie & Areji (2015) examined the role of economic diversification for sustainable development in Nigeria and agreed that Nigeria operates mono commodity (petroleum) based economy, that she just extracts the oil for export, the generated revenue is not effectively invested on diversification of the economy to develop a robust and stable economy. This is due to some socio-political challenges that border on individual interests and poor socio economic orientations that militate against industrialization of the economy. And recommended that Nigeria should pragmatically address the challenges of poor industrialization to diversity her economy.

Adams (2016), studied the diversification of Nigeria economy through Agricultural production. Data were collected from the Federal Ministry of Agriculture, Federal Ministry of Finance, National Bureau of statistics and central bank of Nigeria. The study identified some of the ways in which diversification into agricultural can impact on Nigeria economy which includes the following food and future security, employment generation and poverty reduction, provision of raw materials, provide better risk control and foreign exchange earnings and reduction of dependence on certain imputations. It finally recommend that the government of Nigeria need to do the following, expansion of output, promote foreign private investment, upgrade all basic infrastructures, create an enabling environment that will favour diversification of the economy, establish a working and functional bank of agriculture, put in place policies that will favour subsidy for agriculture, introduce at all levels mechanized system A agriculture to increase productivity, revive all the agricultural research institutes and finally endeavour to give scholarship to all those who are interested in studying agriculture.

Also, Suberu, Akande & Olume (2015) examined the possible ways of diversifying the productive base of the Nigerian economy. It revealed that considering Nigeria's peculiar circumstances and the successes recorded before the advent of oil, for Nigeria to break loose from problems inherent in a mono-economy, especially one largely dominated by oil, which is subject to depletion, international price shocks and unfavourable balance of payment, there is need for diversification. Agricultural sector is suggested as possible options for diversifying the Nigeria economy.

Conclusion

Diversification and Enterpreneurship offer high rewards if steps are taken for their proper implementation. Government should go back to the drawing board by looking beyond oil into other sectors of the economy that have potentials for viability. Government needs to develop and implement effective economic diversification strategies. Sound macroeconomic policies, investments in infrastructure and strong institutions are critical to success. Frameworks for monitoring diversification policies should be provided, More so, the need to emulate the success story of India cannot be downplayed. India responds in a variety of ways to the environmental changes taking place around them.

Recommendations

This paper therefore recommends a rethinking in the following sectors by the federal government in order to attract other sources of fund for its growth and development:

Hospitality/Tourism Industry: The endowment of a country with natural and man-made resources is evidently a major factor for tourism development. In pioneering cross-country analysis, Lanza and Pigliaru (2000) show that countries with a relative abundance of natural resources have a higher propensity to specialize in tourism and can hope to embark on faster economic growth.

Agriculture: It is a major branch of the economy in Nigeria, providing employment for over 70% of the population, providing man with Food crops, cocoa, rubber etc. If fully explored would contribute to the economic growth of Nigeria.

Textile Industry: The textile industry in Nigeria is the third largest in Africa after Egypt and South Africa. It is the largest employer of labour in the manufacturing sector and should be resuscitated by the government.

Indigenization Policies on technology that will suit Nigeria should be made. Public-Private partnership should be critically looked into for better performances. There should also be efforts towards strategic alliances vis a vis joint ventures with other nations through trade agreements.

References

Adams, O.K., (2016) diversification of Nigeria Economy through Agricultural Production. iosr Journal of Economics and finance (IOSR-JEF) volume 7, issue 6 ver. iii (Nov.-Dec. 2016) pp 104-107.

Ahmadov, A.(2012). *Political determinants of economic diversification in natural resource-rich developing countries*. Manuscript submitted for publication, Political Science, Princeton University,Retrieved from http://www.princeton.edu/~pcglobal/conferences/GLF/ahmadov.pdf

Anyaelue, M.C. & Areji, A.C., (2015) Economic Diversification for sustainable development in Nigeria open journal of political science 2015, 5, 87-95.

Cheembo, D. (2013). *Advantages and disadvantages of diversification*. Retrieved from http://www.scribd.com/doc/12376024/Advantages-and-Disadvantages-of-Diversification
Corden, W. Max and J. Peter Neary. 1982. Booming sector and de-industrialization in a small open economy. Economic Journal 92:825-48.

Hesse, Heiko. (2008). Export Diversification and Economic Growth. Commission on Growth and Development. Working Paper No. 21.

Imbs, Jean and Wacziarg, Romain. (2003). Stages of Diversification. American Economic Review 93(1)): 63-86.

DSPG 2.0009/dspgjournal 07/2017
Delta State Polytechnic Ogwashi-uku Journal
www.dspgjournal.com ISSN: 2545 5222

Iyoha ,Oyefusi &Oriakhi(1998):An Introduction to Modern Economics,Mareh Publishers,Benin-City.

Inegbenebor, A. U (2006): The Fundamentals of Entrepreneurship,Malthouse Press Limited, Benin City

Jhingan,M.L(1997): The economic development and planning.35th Revised and Enlarged Edition.Vrinda publications (p) ltd.B-5,Ashish Complex,opp. Alconpublic School,Mayur Vihar, Phase-1 Delhi – 110 091.

Klinger, Bailey, and Daniel Lederman. (2004). Discovery and Development: An Empirical Exploration of "New" Products. World Bank.

Lanza, Alessandro, and Francesco Pigliaru, (2000), "Why Are Tourism Countries Small and
Fast-Growing?" in Amedeo Fossati and Giorgio Panella (ed.), Tourism and
Sustainable Economic Development. pp. 57-69, Kluwer Academic Publishers.

McMillan, M., and D. Rodrik, (2011). Globalization, Structural Change and Productivity Growth,‖ NBER Working Paper No. 17143 (Cambridge, Massachusetts: National Bureau of Economic Research) cited by Chris Papageorgiou and Nikora Spatafora(2012)

Mehlum, Halvor, Karl Moene, and Ragnar Torvik. (2006). *Institutions and the resource curse. Economic Journal 116: 1-20.*

Meredith, O. (1983). The Practice of Entrepreneurship. Geneva: International Labour Office.

Okezie, A. I, Alex ,O & Asoluka, C. N (2013). *Academic Journal of Interdisciplinary Studies, MCSER-CEMAS-Sapienza, University of Rome,Vol 2 No 5,July 2013.*

Orishede F & Ezenwakwelu C.A (2014). Empirical Analysis entrepreneurial Development and Implication for Nigeria Economic Growth. European Journal of Business and Management ISSN 2222-1905 (pipes) Vool. 6, No 30,2014.

Ottih L. O. (1999) Business Policy. *A Comparison of owner managed and non owner managed firms in Nigeria journal of Business and social sciences Vol. No. 2 July: pp 95 – 113.*

Ramcharan, R. 2005, March. How big are the benefits of economic diversification? Evidence from earthquakes. *International Monetary Fund*, *05*(48), Retrieved from http://www.imf.org/external/pubs/ft/wp/2005/wp0548.pdf last visited 06/07/2015:10:07

Riti J.S & Kamah M. (2015). Entrepreneurship, Employment & Sustainable development in Nigeria International Journal 2015, Vol. 4, No 11SSN: 2226-3624.

Rodrik D. 2004. Industrial Policy for the Twenty-First Century. Working Paper Series rwp04-047.
Harvard University, John F. Kennedy School of Government.

Suberu O.J, Ajala O.A., Akande M.O. Olune- B.A. (2015).Diversification of the Nigeria Economy towards a sustainable growth and economic Development International Journal of Economics Finance & management sciences vol. 3, No. 2.

Teece, D.J. (1980), "*Economies of scope and the scope of the enterprise," Journal of Economic Behavior and Organization*, *1,223–247*.
Teece, D.J. (1982), "*Toward an economic theory of the multiproduct firm," Journal of Economic Behavior and Organization, 3, 39–63.*

Tornell, Aaron and Philip R. Lane1999, The Voracity Effect. American Economic Review 89: 22-46.

http://www.investorwords.com last visited 0n 06/07/2015:10.12

DSPG 2.0009/dspgjournal 07/2017
Delta State Polytechnic Ogwashi-uku Journal
www.dspgjournal.com ISSN: 2545 5222

http://www.businessdictionary.com last visited 06/07/2015:10:23

http://articles.economictimes.indiatimes.com 06/07/2015:10:31

Federal Office of Statistics (FOS) and National Planning

.