

**ENTREPRENEURSHIP, HUMAN DEVELOPMENT AND ECONOMIC GROWTH:
INSIGHTS FROM N-POWER (N-TEACH) PROGRAMME BENEFICIARIES IN
NGURU, YOBE STATE, NIGERIA**

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ABSTRACT

N-Power Programme is the component of National Social Investment Programme of the Federal Republic of Nigeria established with the primary objective of addressing youth unemployment and enhancing social development across communities. The N-Teach is a sub-component of the N-Power that engages graduates in volunteer teaching across communities which earns them ₦30,000 monthly. However, the N-Teach does not include entrepreneurship or any life-long skills acquisition. This study assesses the perspective of N-Teach beneficiaries on the precedence of entrepreneurship on human development and economic growth in Nguru community of Yobe State, Nigeria. The study is a qualitative research that utilised in-depth interviews in generating data and complemented with desk review of literature. Snowball approach was adopted in determining respondents across the study area. The study revealed that the beneficiaries of N-Teach considers the precedence of entrepreneurship skills and start-up capital for businesses over teaching for monthly pay of ₦30,000. The beneficiaries consider entrepreneurship as a suitable way of achieving human development and economic growth. The beneficiaries who are mostly youths considers entrepreneurship a preferred youth empowerment strategy that is more sustainable and suitable for economic growth and development. Therefore, the beneficiaries prefer to be trained with certain skills and given start-up capital so that they would make higher income and better contribute to the economic growth of their communities and the state, rather than the teaching job that comes with a definite monthly income. Based on the findings, the study concludes that entrepreneurship is the preferred choice of N-Teach beneficiaries rather than teaching engagement that comes with a monthly definite income. The study recommends that N-Teach component of N-Power Programme be discarded entirely while entrepreneurship components should be emphasized. Also, choice of beneficiaries should be based on who are genuinely passionate about business investment, and perhaps those who are already operating different small and medium scale enterprises.

Keywords: *Entrepreneurship, Human Development, Economic Growth, Youth, N-Teach*

Background

In an effort to address the issues of youth unemployment and increase social development among the young people, the Nigerian Federal Government established the National Social Investment Programme (NSIP) as a social welfare initiative in 2015-2016. The objective was to ensure a more equitable distribution of resources to vulnerable populations in the country, including women, youths and children. The NSIP created four component programmes, namely – N-Power, Conditional Cash Transfer (CCT), Government Enterprise and Empowerment Programme (GEEP), and Home Grown School Feeding (HGSF). All these were established following the World Bank Group's approval of \$500 Million International Development Association credit to support the establishment of programmes targeted at economic development in Nigeria. Additionally, the Nigerian Government provided additional \$1.3 Billion from its budget to support the social development programmes.

The N-Power Programme is one of the programmes under NSIP that focuses on the issue of youth unemployment and increase in social development. It is designed to target unemployed graduates and non-graduate Nigerian youths between the ages 18 to 35 to acquire and develop certain life-long skills for becoming change makers in their communities (NSIP, 2016). The N-Power Programme is a community sourced solution to the nation's under-developed public services like education, healthcare and civic engagement. Youths who succeeded in getting enrolled into the scheme receive a job training and education and a monthly stipend of ₦30,000. The scheme currently has six (7) categories – N-Teach, N-Build, N-Creative, N-Health, N-Tech, N-Agro, and N-Knowledge available for graduates who have completed their national service, while N-Build, N-Agro, N-Tech, N-Knowledge and N-Creative are available for both graduates and non-graduates.

The N- Teach is a component that is designed to support in building improved basic education across Nigerian communities. The beneficiaries of this programme also called 'volunteers' are deployed to specific communities in their States of origin as teaching assistants in public schools where they engage with students to foster relationships and build confidence while supporting educational development. The idea is that as education volunteers, they contribute in providing education to underserved communities and help the most marginalised members of the society in getting access to education.

The N-Teach component of N-Power is the focus of this study. The component doesn't have entrepreneurial skill training focus entirely, and the volunteers report to their deployed schools

without any form of life-skills training. The study unmasked the perception of this category of beneficiaries on the precedence of entrepreneurship opportunity that they lacked on human development and economic growth, in order to understand whether they would prefer to be equally exposed to life-long skills.

Objectives

The main objective of the study was to unveil the perspective of N-Teach beneficiaries on the precedence of entrepreneurship on human development and economic growth in Nguru community of Yobe State, Nigeria. Specifically, the study examined the:

1. perception of N-Teach beneficiaries on the precedence of entrepreneurship in attaining human development; and
2. perception of N-Teach beneficiaries on the precedence of entrepreneurship in achieving economic growth as against teaching

Methodology

The study adopted a qualitative research methodology with a survey strategy to data collection. Snowball approach was adopted in determining respondents across the study area. Data for the study was generated through in-depth interviews and complemented with desk-review of literature. The study is restricted to in-depth interviews in order to elicit in-depth understanding of the beneficiaries' perception on the correlation between entrepreneurship and human development, as well as entrepreneurship and economic development. The in-depth interviews were conducted through unstructured interactions with respondents. The interviews were conducted with youth beneficiaries of the N-Teach component of N-Power social development scheme of the Federal Government of Nigeria. Due to the unstructured nature of the data collection process, the researchers met respondents (interviewees) in their places of assignments (the schools), in their communities, and in the market, depending on where a proposed interviewee was as at the time of the interview. The study is restricted to Nguru main town and only the direct beneficiaries of the N-Teach are used as units of analysis.

Literature Review

Many studies affirm that human development and entrepreneurship are closely related (Georgiou, 2009; Gries & Naudé, 2011; Ballesta, et al., 2020). Entrepreneurship has a positive

impact on human development (Amorós & Cristi, 2010). Georgiou (2009) argued that entrepreneurship contributes to improving the human development index. Therefore, it can be said that entrepreneurship is positively related to the human development index. Ballesta, et al. (2020) in their research have shown evidence that there is a relationship between entrepreneurship and human development. This evidence is given about the impact of entrepreneurship by the necessity for human development. Ballesta, et al. (2020) assumed that entrepreneurship has a strong impact on society and that this impact goes far beyond the impact of business on economic growth, including human development.

Acs et al. (2012) observed that in addition to investments in research and development (R&D) and human capital, entrepreneurial activity has a positive impact on growth. The authors point out that entrepreneurship is a mechanism that facilitates the spill-over of knowledge and is, thus, conducive to economic growth. In the same line, Audretsch and Keilbach (2004) state that entrepreneurship capital is a significant and important factor shaping economic output and productivity. The relationship between entrepreneurship and economic performance was also examined by Bosma et al. (2018). The authors found that productive entrepreneurship has a positive impact on economic growth and that institutional quality, financial stability, small government, and perceived skills to start a business are the most significant predictors of such productive entrepreneurship. Galindo and Méndez (2014), in turn, highlight a vicious cycle between entrepreneurship, economic growth, and innovation, where the three factors have positive effects to each other.

It is widely believed that entrepreneurship matters for development. The impact of entrepreneurship on economic output (GDP, employment, productivity) has been an area of focus for development experts. Generally, the entrepreneur is an innovator, risk-taker and arbitrageur who contributes to economic growth and development by introducing suitable and improved technology, competition and markets. As such entrepreneurship is like a production factor, also referred to as ‘entrepreneurial capital’ (Audretsch, 2007). As a production factor entrepreneurial capital is said to be able to explain the residual typically found in economic growth regressions in two ways. First, entrepreneurs introduce technical change through acting as ‘knowledge filters’ in the commercialisation of new knowledge (Audretsch et al., 2006). Secondly, they improve the allocation of other production factors (Acs & Storey, 2004).

Entrepreneurship has long been considered a crucial mechanism of economic development. However, empirical studies on the role of entrepreneurship in economic growth show mixed

evidence (Stam 2008). This is not remarkable because there is much heterogeneity in both the kinds of entrepreneurship and the kinds of economic contexts in which economic growth takes place. Until now studies have not sufficiently accounted for this heterogeneity on the micro and macro level, which limits our insight into the contingent role of entrepreneurship in economic growth. Important questions in this respect are: 'How does the role of entrepreneurship differ between high income, transition, and low income countries?', and 'What kinds of entrepreneurship are most crucial for economic growth?' (Stam & Stel 2009, p.1).

In recent years, the role of entrepreneurship in economic development and growth has been given a totally renewed attention, this is related to the shift that entrepreneurship has shown, from large firms to small firms, however a large pack of the extant literature stresses that the new form of entrepreneurship has come to be perceived as a machine to boost the economy for many countries especially developed ones (Audretsch et al., 2006). Furthermore, policymakers have been increasingly interested in the position of entrepreneurship in generating economic development. This latter is seen as the process in the structural transformation of countries from low income, primary-sector based companies into high-income service and technology-based ones (Naudé, 2008).

While neoclassical theory claims that physical capital and labour are the two most important sources of a nation's economic growth, the endogenous growth theory holds that investment in human capital, knowledge diffusion and technology are key drivers of economic growth and human development (Proença & Soukiazis, 2022). More recent developments in growth theory highlight the importance of business activities in creating wealth and new labour opportunities. In this sense, entrepreneurship plays an important role in enhancing economic activity by introducing innovative technologies, creating new products and services, promoting new jobs and employment opportunities, but also by improving competition and competitiveness (Baumol & Strom, 2007; Khyareh & Rostami, 2018). This view is in line with the findings of World Economic Forum (2013) which shows that rapidly growing entrepreneurship is an important source of innovation, productivity, growth and employment, and therefore an important determinant of economic and social development.

Findings

Entrepreneurship and Human Development

The N-Teach beneficiaries believed that if government had empowered them with entrepreneurship skills which they are more interested in, the scheme would have been more successful. A participant in the interview says “The programme obviously fails because we are forced to go and teach despite the fact that we neither studied education nor are we interested in teaching”. The government consideration of any beneficiary as a teacher not only affects the quality of delivery, but also shows poor plan and design of the scheme.

The youths involved in the scheme preferred to be empowered through certain entrepreneurial skills and be given capital to start a business, rather than mere asking them to teach and receive ₦30,000 at the end of the month. A respondent state, “this job is not sustainable. Receiving ₦30,000 at the end of the month cannot suffice. Once it is over, I will still be in the labour market. I wish government will understand and change this style”. It is evident that the youth sees the system as extension of national service, where you serve and get paid certain allowance for the service as one of the interviewees said “this N-Power (N-Teach) is not different from National Youth Service Scheme (NYSC). We are just being paid allowances for service”. As such, the objective of social empowerment has failed especially as there is no sustainability.

Nothing that the programme is not as important as thought of by the Nigerian Government, most of the youths don’t give it due attention and commitment. Instead, they prefer doing other businesses elsewhere in the town than spending hours in schools as teachers only to expect earning ₦30,000 at the end of the month. The respondents explained that they often go to work in the market than waste their time in schools they are posted to teach because N-Power can stop any moment, while the market will remain forever. In fact, the monthly ₦30,000 is not even guaranteed as sometimes government doesn’t pay for 2-3 months. A respondent captured,

“staying in my brothers’ mechanic workshop for a month earns me nearly ₦100,000 and I am learning useful skills. Do you think I will earn these in the classroom? Of course the mechanic workshop is better for me. It is more empowering, earning and more sustainable. At the workshop we earn daily. N-Power payments are not sustainable. In fact, when I finish learning the skills here and become a professional mechanic, I will be able to earn over ₦300,000 every month. This means ten times of what government pays (through N-Power scheme).”

Teaching doesn’t interest most of the youths. Even those who studied ‘Education’ in tertiary institutions are found to be uninterested in building a career in teaching. The findings revealed

that the youths detest teaching, don't have the skills to teach, have difficulty making expressions in English, and lack confidence to stand before students and deliver. A respondent says,

“who told the government that every graduate can be a teacher? I don't have the qualities of teaching. If I can get capital now, I will start going to the village market to get grains and then take them to Kano market and sell. My degree is just a formality. I never expect it to be used for teaching because I know I will make a bad teacher. I don't have teaching skills or passion. But I have passion for entrepreneurship and I am committed to learning about it. I ask businessmen on daily basis about market dealings. All I need is capital, not a sort of teaching-for-~~₦~~30,000 plan.”

It is evident that the youths didn't consider teaching opportunity (N-Teach) as youth empowerment or human development effort. Most of them have passion for entrepreneurship because the town (Nguru) is a business-driven economy. Even the few who commit to teaching does so because they have no other thing to do and were expected to be retained following a show of good behaviour as a respondent stated during the interview,

“I love business. But I don't have capital. I go to school (N-Teach place of assignment) to teach regularly because I don't have anywhere to go or any work to do. It is not because I like teaching. I am a member of the ruling party. If Sen. Ahmed Lawan (current Senate President) wins again, there is a probability that I will be retained or even get a better job. As time goes on, I hope to earn more and invest even if I will continue to work under the government.”

The findings on the relationship between entrepreneurship and human development coincides with existing literature where scholarly arguments establish that human development would be achieved with entrepreneurial efforts (Georgiou, 2009; Amorós & Cristi, 2010; Khyareh & Rostami, 2018; Ballesta, et al. 2020; Proença & Soukiazis, 2022). The study revealed how youths N-Teach beneficiaries explicitly expressed the fact that N-Teach is not sustainable and the associated temporary payment that comes with it neither encourages the beneficiaries nor does it help in pursuing their ideal career. As Amorós and Cristi, 2010 stated that entrepreneurship has a positive impact on human development and that entrepreneurship contributes to improving the human development index (Georgiou, 2009). Therefore, it can be said that entrepreneurship is positively related to the human development index based on the findings of this study.

Entrepreneurship and Economic Growth

The beneficiaries of N-Teach component of the N-Power Scheme posited deep relationship between entrepreneurship commitment and economic growth for youths and communities at large. Participants of the interview believed that most economic growth in the community (Nguru) is driven by business activities. However, because they were not tailored in the direction of business, they couldn't offer much to economic growth and development. The beneficiaries believed that teaching wouldn't contribute enough to economic growth as a respondent captured,

“it is the ultimate objective of every country to be economically sound and develop. But in our case, we are forced to teach classes for short period of time and be given allowances for such service. It is unfair because the monthly income (₦30,000) cannot be enough to invest. They should've even gathered all the money for 2 years, train us on certain skills and give the money to us as a capital at once. This monthly payment is a corrupt practice in itself because they don't even pay us sometimes”.

Most of the beneficiaries do not appreciate the idea of teaching and receiving salary of ₦30,000 at month end as a determinant of economic growth and development. However, they believed it would solve a short time economic problems. This is because the ₦30,000 is better than not receiving any payment at all. The teaching pre-requisite in the scheme also makes the beneficiaries to justify their earning, so they wouldn't just earn without justification for a particular income. A respondent stated,

“the money is too small. But it is better than not receiving the money at all. The teaching aspect of the scheme makes us serious about why we get the ₦30,000 monthly. The challenge however is that when the programme ends in about 2 years, most of will become unemployed once again”.

Some of the beneficiaries see economic growth and human development from the lenses of good income through sound investment. The income generated through N-Teach is too small, not enough to invest and too poor to start a life. The worst part is the scheme's temporary nature as beneficiaries are on government payroll for a year or 2 after which the payment stops. Yet, some of the beneficiaries don't have alternate plans like seeking for other jobs or learning skills independently largely because of poor employability skills and poor entrepreneurial awareness, as well as over-dependence and over-reliance on government jobs and supports. Yet, there are no industries to complement government jobs in the town (Nguru). Even though the markets

in the community accommodates a number of youths as businessmen, some of those who pursue degree preferred government jobs or lucrative firms. A respondent said,

“Do you think I will continue relying on this ₦30,000 job? I will not be able to, even if it will be sustained. I want a better job (in terms of earning) that will earn me a big house, a big car and a beautiful wife. I hope to get employed under federal government agencies like Nigerian Customs Service, Federal Inland Revenue Service or Central Bank of Nigeria. This is the only way I can become productive to the economy.”

Despite the entrepreneurial interest of the beneficiaries, many of them considered N-Power as a national cake that they cannot leave even if they have a better job. In fact, even those who are already committed to business activities that earn them more income, they considered N-Power an additional income that they are supposed to earn. And because federal government operates as if it cannot determine who is ideal poor youth that is in need of social development support, everyone can apply and benefit from the scheme. This is why individuals that are working in the private sector benefits from the scheme even if they are earning millions through business establishments. Therefore, the scheme originally planned to boost economic growth could end up contributing to the backwardness of the economy. A respondent stated,

“N-Power teaching cannot stop my business and I will not even do teaching as required. It is just a national cake that I am entitled to as a citizen of the country. I have never go to the classes to teach, but I receive alert every time they pay. At least, after series of corruption, I now have a chance to also benefit from the government. But my business is more important and that is why I give it more attention and I will not allow myself to be distracted with N-Power.... Though the N-Power payment help me in handling my sibling’s school bills, my business is more important to the economy. Others are also working with me here, and they support their family though the business we do. We sell vegetables and fruits and its giving us good income.”

The findings of the study affirm the positions of Audretsch and Keilbach (2004), Audretsch et al. (2006), Acs et al. (2012) Bosma et al. (2018) and Galindo and Méndez (2014) where they all established a positive relationship between entrepreneurship and economic growth. The study posited how much youths who are N-Teach beneficiaries are interested in entrepreneurship as well as how it would growth their wealth and economic standing as against the income of ₦30,000 a month that N-Teach programme offers. Entrepreneurship has a positive impact on economic growth and that financial stability and perceived skills to start a business are only guaranteed with entrepreneurship as it is more sustainable as indicated by the study.

Conclusion and Recommendation

On the overall, it is evident that the beneficiaries of N-Teach despise teaching and preferred entrepreneurial option as a human development scheme, especially if start-up capital will be included in the package. The beneficiaries also affirm that entrepreneurship leads to economic growth and development, and a better option that government would have considered instead of the monthly allowance. The study concludes therefore that youths who are beneficiaries of N-Teach scheme considers entrepreneurship skill and capital complement as a better social development strategy than the existing teaching for ₦30,000 monthly. The current strategy wouldn't contribute enough to the economy compared to when such youths are directed towards entrepreneurship and investment through private sector. However, if government must review this scheme, then the selection criteria needs to be reformed. This study recommend that N-Teach be discarded entirely and focus more on other components such as N-Tech, N-Creative, N-Knowledge, N-Build and N-Agro that have certain entrepreneurial components. The selection of beneficiaries should be based on who has already started certain business such as the SMEs or those with extant evidence of business interest so that it wouldn't be a waste of resources again, especially where a start-up capital is involved.

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