Possibilities in Non-Oil Sector for Rural and Community Development in Nigeria

lbiam Sunday Mba & Kareem Akeem Olumide Department of Public Administration and Local Government University of Nigeria, Nsukka Email: s.ibiam@yahoo.com

#### ABSTRACT

A critical sector of the economy that has proved to provide for the future of every country's future is the Non-oil sector. In-view of this, the sector has showcased the ability to guarantee steady economic growth, productivity, self-sufficiency and the capacity to boast employment opportunities more than the oil sector. Numerous intervention programs of the government was made reference to as policy effort that contributed to the rural and community development: A Non- Oil sector approach. This paper examines the possibilities of the Non-oil sector to ensure rural and community development through its wider scope reflecting on the structure of Nigerian economy during the 1960s. This paper adopted economic protectionist theory the theoretical framework while secondary sources of information ensured a descriptive approach to the study. The recommendations tends to discourage over emphasis on oil revenue at a time of skyrocketing number of jobless youths in Nigeria. Hence the call for the agricultural, manufacturing/industrial, tourism, communication etc. to play as a liberal sector in cushioning the effect of petro-dollar crisis in Nigeria.

**Keywords**: Non-Oil Sector, Rural Development, Potentials, Development, Economy, Growth, Productivity and revenue.

#### INTRODUCTION

Before the oil boom (1970) Nigeria had for decades depended on a nourishing and promising economy which based its sources on locally engineered agricultural produce like; cocoa, cotton, robber, wood, peanuts, palm oil, hide and skin fisheries etc.

As a developing country Nigeria had all it takes to move her economy to an enviable height with the available sources and revenue which was highly agriculturally based. There was no future hope and opportunities for any developmental progress anticipated from other sources except through this sector which its embodiments are stated above. There were development in education, health-care provision, socio-political and environmental. What was needed was a shift from traditional to modern way of harnessing these nature given wealth in order to access same opportunities in exchange with those technologically and scientifically developed countries of the world. However, the managers of the economy could not see things this way by realizing the potentials of this our mainstay which was already being used additionally in touching the lives of rural, semi-urban and in fact community development in Nigeria. If anyone is confused with what this means, we can draw a clear understanding form the colonial experience as they embarked on road and bridge construction on roads that leads to some rural communities where cocoa, rubber palm oil etc were sourced for export during their administration. So that directly informs us that the non-oil sector abinitio contributed in the community development in Nigeria even in the colonial era.

In 1960, the independence leadership at that time borrowed a lift from their metropolitan masters to continue from where the colonial master stopped. Different

communities in Nigeria had their educational infrastructures, road network, health, etc maintained hence great impact on the developmental level of their rural communities in Nigeria. According to Tijani M. Y Sufu quoted in Uzor (2004)

"the marketing board served the purpose of stabilizing agriculture prices locally for the farmers, even when the produce, as is still currently the case, were subject violent and unpredictable price fluctuations in the world market. At the same time, through special management of the pricing system, the regional governments were able to accumulate funds painlessly from the rural population for much needed and publicized development.... But for the accumulated funds that were made possible through the marketing boards, machinery, the educational health and infrastructure revolutions with which ardent and funding nationalists ushered in independence could, never have been possible. The succeeding hungry and corrupt politicians (and perhaps the port-bellied men in over-sized Khaki uniforms) found arguments to destroy the marketing board system and doled out funds as "loans" to political and other hangers-on using the most dubious methods to ensure that the loans were never recovered".

From all indication, the post- colonial administrators recognized the non-oil sector potentials and improved on it for foreign exchange earnings, more especially as it was driving the economy to a desired height. And has also brought about improved access to resources, increases and diversity of Agriculture, food security, promotion of non-farm activities, employment creation, construction and maintenance of new roads, rural electrification and provision of transformers and water supply visible around our communities. Overtimes, successive government have embarked on several programs targeted at rural development. Other approaches have been by Non-Governmental Organizations (NGOs), Cooperatives, individuals through private sector initiatives, corporate bodies as well as international organizations. The various programs initiated and chiefly targeted at the rural sector by government include the following.

- National Accelerated Food Production Program (NAFPP)
- River-Basin Development Authority (RBDA)
- Agricultural Development Program (ADP)
- The Green Revolution
- Agricultural Credit Guarantee Scheme (ACGS)
- Directorate For Food, Road and Rural Infrastructure (DFFRI)
- Better Life For Rural dwellers (BETTER LIFE)
- National Agricultural Insurance corporation (NAIC)
- National Directorate of Employment (NDE)
- National Agricultural Land Development Authority (NALDA)
- National Poverty Eradication Program (NAPEP)
- National Rural Roads Development Fund (NRRDF)
- Rural Banking Scheme (RBS)
- Family Support Program (FSP)
- Universal Basic Education (UBE)
- Rural Infrastructure Development Scheme (RIDS)

Overly the post-colonial administrators and the current leaders had built on the development driven capabilities of the non-oil sector which precipitated the concentration on the strategic developmental programs on the already established community and rural development of the past administrators. It is clear that before the oil boom, there were conscious and positive serious impact developmentally which the new era approach grew from (Oguniyi, 2017). A cursory look at the introduction, and the objective of majority of the above programs will reveal that they are mainly targeted at community development in an attempt to better the lives of rural dwellers, stimulate and enhance economic growth, as well as get the rural sector to contribute meaningfully to the national economy and social development. These programs have direct or indirect impact on rural development and can broadly be grouped into specific and multi-specific programs. The specific programs are these directed mainly at agriculture, health, education, housing, transport, infrastructure, finance and manufacturing. Since programs were initiated in the early 1970s and 1980s, on the other hand, most of the multi-specific programs were put in place in the early 1990s and therefore to handle general projects, such as NDE, DFRRI, Better life, Family Support Programs etc. (HFS, 2019; Herrena & Kouama, 2017). Many of the specific programs had some positive effects on rural development although Obadan (2002) opined that the target population for some of them were not specific explicitly to the poor people (rural dwellers) example of such is the RBDAs, ACGs, RBS etc, which were designed to take care of such objectives as employment generation, enhancing of agricultural output and income, and streaming rural urban migration, which no doubt impair rural development. Other development programs such as OFN, Green Revolution, free and compulsory primary education, low cost housing schemes etc., impact positively on the community/rural dwellers but most of them could not be sustained due to lack of political will and programs hence most of them died with the government that initiated them (Chiliokwu, 2006). In this paper, the following questions will guide;

- (a) What are the developmental potentials in the Non-Oil sector?
- (b) Why is development at the rural level an indicator growth and development?
- (c) What are the issues with Nigerian Non-Oil sector in ensuring community and national development?

# Objective of the study

The fortunes from oil economy however had failed to bring development to the rural and urban areas and solve the problem of unemployment in Nigeria. As a result, this paper deems it feat to calculate the wealth of the Non-Oil industry in providing the needed benefits as a sector that led the national economy in the 1960s and beyond. The encouragement for going back to tap the fortunes of this Non-oil sector promises a better economy and rural/community development in Nigeria.

# METHODOLOGY

The study was carried out with the help of secondary sources of data which elicited relevant information for the study. The study is descriptive, therefore it used same to explain policy events and the interventionist programs targeted at rural and community development. These documented facts assisted the researcher to thoroughly expose the potentials of Non-Oil sector in rural development.

# LITERATURE REVIEW

Any other sector other than the oil or petroleum sector of any given economy of the world is regarded as the Non-Oil sector. These sectors includes; Agriculture (production for exports and domestic uses). Manufacturing (improving on domestic technologies by finishing raw materials for domestic use and exports), Environmental services (general services and waste collection and recycling), Telecommunication and ICT, Tourism Service (movies, Hotel services, carnivals) Expert Services in the financial and banking sectors, Uzonwanne (2015) Yemi (2016) and Onodugo et al (2015).

### Non-Oil Sector in Nigeria

Apart from petroleum and its products other sectors are the one referred to as nonoil sector, there are grouped under agriculture, industrial and manufacturing communication transportation sector etc. this is to be explained based on development impact.

### Agricultural Sector:

Has been the main-stay of our economy before the advent of oil in 19705. All that Nigeria could do now were formally done with revenue drawn from the sale of agricultural produce. Some of these agriculture sub-units that attracted huge sum of money as revenue. For instance the University of Nigeria Nsukka was established with an initial grant of \$4m made available to the Eastern Nigeria government by the marketing Board, this resources was earned from "palm oil". The institution had brought kinds of development to the community and its environs. The town known as Nsukka would never had noticed this speed of development if not for the establishment of the Nigerian university. Granted, the fact still remains that the non-oil sector has the capacity of doing much greater achievement than the oil-sector but for the abandonment and total neglect to the non-oil sector its provisional impact in the community development was hampered. The choice of oil sector leading to total neglect of the non-oil sector could be for hidden transnational agenda because it may be difficult to ascertain the quantity of oil being catered away with usual business agreement with the multinational co-operation involved in oil business who are also ready for "business negotiations" (Daneji, 2011:101)

Cocoa a one-time major export product in the early 1950-1960s. Revenues generated through the sales of cocoa fast forwarded the development mechanism of the western Nigeria. These positive impact came on the area of education, infrastructures, health, economical. For instance, the cocoa house; Ibadan – A skyscraper building by the western Nigeria development corporation with funds provided by the western Nigeria cocoa marketing board. Uzor (2004). This was also accompanied by many road and bridges, construction and building of schools, development of the industrial sector, scholarship award to indigent students. Other sectors of the economy existed but yet agriculture contributed most to the development of the rural communities since most of these infrastructures are rurally based so the unintended benefits also goes to improve on the living standard of the people (Olayungbe & Olayemi 2019). According to Ogunkola et al, (2008), in the 1960s Nigeria's export trade was dominated by non-oil products such as groundnuts, palm karnel, palm oil, cocoa; rubber, cotton, coffee etc. others includes Hides and skins, textiles, fisheries and later the international request for the exportation of cassava products as an income earner. The non-oil sector has contributed to a rise in the GDP and favourable balance of trade and payment which ensures a reserve for community development in Nigeria witnessed in areas and zones where some of agroprocessing industries are established such communities have good road network water and other human relation social responsibility policies embarked upon by these establishments. This implies that in stepping up the non-oil sector to have meaningful impact on the growth of the economy for balance and diversification, it has to be increased to about 97% up from what is currently the situation (Onodugo etal (2013:121).

Manufacturing is also a non-oil sector that had contributed directly and indirectly to the community development in Nigeria, as both state and federal government as Uzor (2004) posited established the following ventures on:

- Food-sugar, beverages and meet products,
- Spinning, weaving and garments textile factories;
- Timber exploitation, logging, wood, furniture and fixtures;
- Cement production and building industrial establishments such as zinc, nails, expanded wire meshing, rods metals etc.
- Industrial chemicals, fertilizer production, pesticides, insecticides etc.
- Machine tool, equipment, electrical and electronic appliances manufacture;
- Transportation, vehicle assembly plants, motor spare parts manufacture;
- Oil exploration, refineries, petrochemical and domestic gas manufacture, etc.

One good example of these is the Anambra motor manufacturing company (ANAMMCO) with its vehicle Assembly plant located in Emene near Enugu. In line with community development agenda contributed in bringing mass transit services with their manufactured MB400 sixty seater Lyxury Buses. Just to ease transportation in the country. Above all majority of skilled men seen in the country today had worked in ANAMMCO where they acquired red the skill now used to enhance their living standard. Worthy of mention is the structural development, other related job opportunities such establishment offered and the development on capita per head of people living within the facility who enjoyed economic opportunities. What then is community development if not enhancing living standard of people through government quantitative and qualitative activities done through the commissioning of life enhancement projects and programs. To Ajakaiya and Fakiyesi (2009), earnings from non-oil exports, such as finished leather products, cocoa, and its products, sesame seeds and manufactured products like cosmetics, and toiletries, rose to about US \$ 1.38 billion, the highest in the country. To Obeke (2004), gross official external reserve rose by 20% to stand at about \$50.75 billion by end-December 2007, as against \$42.3 billion in December 2006. In 2008, estimated growth of GDP of 6.77% was higher than that of 2007 (at 6.2%). Growth was again driven by the non-oil sector, especially the agriculture sector, which contributed 39.8% out of the 80.7% total contribution of non-oil sector to GDP in the first half of 2008. This increased to 60% by the last quarter of 2008.

#### Industrial Sector

Agriculture forms the major source of raw material which heavy industry and small industries use in the production of finished goods, Agricultural products like hides and

skin, cotton cocoa, cassava etc. Industries that engage in the production of shoes, beverages, biscuits and many finished products that contributes to good healthy living of the people are sourced from agriculture for other industrial operation to function differently as a sector in the Nigerian Economy. These industries attracted by the potentiality of our Agricultural rich exploits had in the first place contributed to the national economy through their taxes payable to the different levels of governments. In turn this revenue is being used to ensure the construction and maintenance of rural roads for easy accessibility. An example is the presence of the federal road maintenance agency, under the federal ministry of works which has made some roads even in our local environment motorable for people to move freely in their daily activities even in some rural communities that has good roads for easy access to the cities for work or for the sale of the agro-produce, this amount to development. Moreso, these industries had employed many Nigerian youths, expanded the rate of development in the place where they are sited, boosted general economic activities is such areas. The contribution of the industrial sector to the development of the rural community in Nigeria cannot be over emphasized. Rather, the government need to adopt some measures in encouraging the growth of such sectors in the form of tax exception etc. Other factors that helped to boost agricultural production includes several government intervention measures, like the National Agricultural project; the National special program for food security, zero tariffs on imported agrochemicals, export expansion grants as well as tightening of controls on illegal imports of agricultural products and its allied finished products. Government should also ensure ban on the importation of substitutes to the productions of these indigenous industries to encourage them.

# Tourism

Tourism is another sector that had the potentials to assist in the development of rural communities in the country. The Obudu cattle ranch is a good example where people from all parts of the world visit for site seeing. Millions of Nigerians and other foreigners had visited Obudu cattle ranch-Nigeria. It had offered the followings; Employment, revenue, infrastructure development comfort, relaxation and added to the speed of development within the location because of the rate at which people visit Obudu-Cattle ranch. Any village which is naturally endowed to have such wonderful sites or artificially created, stand to be the pride of the country example is TINAPA – in Calabar Cross River State. All these areas generated huge revenue to the government and socially affect the life of the people. (Yusuff & Akinde, 2015:8). If such places which can be seen in all parts of the country are developed and harnessed it will bring about development. Israel is known for tourist attraction which nature bestowed on it and those others they tried to create, and today tourism is a major source of revenue to it.

# Yankari National Park

Yankari National Park has become the most developed wildlife park in Nigeria with a lot of attractions for visitors. The park is famous for its variety of animals available for viewing round the year, though the animals are better watched between November and May periods of the dry season when the animals converge around the Gaji River. Locating this areas with government investment interest has expose the particular community to the entire world. As non-oil sector it has offered some level of development to the rural communities within which it is found and located. People come from many parts of the world to visit these tourist centres and thus improve economic base of the people through high sales for those operating businesses around the place. Government on their part quickly because of visitors from other parts of world had extended better road network to such places. A good examples is Obudu cattle ranch in Cross River State and Yankari National Park which is located in the mountainous region of North-eastern Nigeria.

### Power Sector

To this extent before the recent power sector reform, this sector had proved to be most viable in the rural and community development in Nigeria since 1970. With power every other sector can thrive like industrial, manufacturing etc. Power had for a time formed a foreign income earner following Nigeria's extension of power to neighboring countries. This sector only needed good management, minimal government and political interference and pursuance of development objectives for which the sector was set-up. It was in the minds of our past leaders that key sector which will ensure the development of other productive sectors was established for higher industrialization and fast economic growth. Example of this is the Ajaokuta still rolling mill which not only bring all round development in Ajokuta Kogi State Nigeria. Some of the power stations are mentioned below;

Aba power station, Abia state, Afam IV-V power station. Afam River state and Afam VI power station, Alaoji power station, Abia state (NIPP), Calabar power station, Calabar, (NIPP) Egbema power station Imo State (NIPP), Egbin Thermal Power Station, Egbin, Gereg I power station; Geregukoki State (NPP) Ibom Power station Ikot Abasi (NIPP) Ihoybor Power Station (NIPP) Benin City, Okai Power Station, Okpai Olorunsogo Power Station, Olorungogo, Olomusogo II Power Station (NIPP) Omoku Power Station, Omoku, Omoku II Power Station (NIPP) Omotosho I Power Station, Omotosho, Omotosho II Power II Power Station (NIPP) Sapele Power Station; Sapele, Sapele Power Station (NIPP), Omoku Power Station, Omoku, Omoku II Power Station, (NIPP) Ugbehi Power Station delta State (Utuk,2017; Olatunji. 2018)..

# Hydroelectric

Kainji Power Station, Jebba Power Station, Shiroro Power station, Zamfara Power station (Josh, 2013).We have seen the damaging effect of the epileptic nature of Nigeria's Power sector has had on another key non-oil sector, manufacturing. Rising operating cost was one of the key reasons a lot of manufacturing companies were put out of business and once again contributed to a rise in unemployment and economic hardship. Without quoting precise figures, the impact of an effective and robust manufacturing sector will no doubt impact positively on our alarming unemployment rate. The power sector is still relatively unexploited if one considers what might have been if a model similar to that of the telecommunications sector had been applied. As a natural monopoly, we are still waiting on how the unbinding policies of the Nigeria Electricity Regulatory Commission will materialize as it is important to get this sector to where it is meant to be on generation and distribution of power.

### **Rail Way Sector**

The railway sector and one of the non-oil sectors before now opened the way to rural communities and was mostly used to transport food and other agricultural products from Northern Nigeria to the East, East to the North and west. It also helped in the transportation oil products or petroleum. This means of transportation has safe, potentiality is reaching remote habitations and had its stations connecting different regions in Nigeria. It was firstly embraced by the post-colonial administrators as the best means of transportation to meet the need of the people as it opened up business opportunities for those who lived along the railway stations. In fact it brought the rural communities face to face with modern transport technology. It was cheap, affordable, accident free, ensured bulk conveyance, high road security, etc. When this sector went into extinction, its benefit to the rural people became more glaring. Traders can tell better the cost of moving agro and industrial raw materials and finished goods to any other state of the federation. So the rail way sector did advance the people from our rural communities to a better state in terms of rural development. Since development according to some scholars who look at rural/community development from the aspect of education/training like Haddard (1990), Hinzey (2000). Also Obinne (1991), perceived rural development to involve creating and widening opportunities for (rural) individuals to realize full potential through education and share in decision and action which affects their lives. The viewed efforts to increase rural output and create employment opportunities and root out fundamental (or extreme) cases of poverty, diseases and ignorance. Others like Olayide etel (1981) view rural development as means for the provision of basic amenities, infrastructure, improved agriculture productivity and extension services and employment generation for rural dwellers. The rail way stations facilitated education and training to those who lived along that area and it enhanced the movement of humans and commodity and provided lobs for those who got the agricultural products ready for buyers.

Passengers of the train and other individual were offered Jobs by the railway corporation. The prospect of fully reviving Nigeria's railway industry will no doubt help the economy considering the effects the now defunct Nigerians railway corporation had on reducing unemployment in the labor force. It is however good to see some investment decisions made in this area by the government in the past years. In view of the fact that rail is a visible alternative to complement the road transport (Ekperiware, 2017:41). The new look some of the rail lines wear is in reflection of what that sectors did to improve the economy of mostly the rural populace who were to an extent distant from the urban areas. Thus the democratic government desire to get it back to what it used to be in some decades ago. Thinking of a substitute services it provides, the federal government have invested over \$8.3b for Lagos Kano rail line undergoing construction by China Civil Engineering Construction Corporation (CCECC) for passenger and across the country. Rivers state government about 318m monorail project is in progress while Enugu state is doing the longest monorail of 117km. funded as a 30 year, Build-Own -Operate-transfer BOOT at the cost of one billion five hundred million dollars (\$1.500,000,000) FDI) (Akpantun, 2013::3-7). The National Integrated Infrastructure Master Plan (NIIMP 2013-243) spanning for 30 years and covers the core infrastructures (transport) energy, ICT and water and other infrastructures (agriculture, mining, housing and social infrastructures (2017-2020 is the first priority. Other efforts of the federal government includes; the construction and rehabilitation of the Itakpa-Ajaokuta-Warri standard gauge due to commence operation in 2018, Abuja (Idu)- Kaduna standard gauge (double track) with extension to Apapa port complex (Okhiria,2018).

**Rural/Community Development in Nigeria:** This can be described as the overall activities involving policies and the participation of the people to ensure growth economically, educationally, socially, environmentally, and the movement from traditional to modernity in Nigeria.

According to Nkama (1973.2) community development is defined as a process by which the efforts of the people themselves are united with those of the governmental authorities to improve economic, social, and cultural conditions of communities, to integrate these communities into the life of the nation, and to enable them to contribute fully to national progress. It should not be regarded simply as a series of episodes embodied in concrete achievements, success in these important though they may be, is less important than the qualitative changes expressed in the attitudes and relationship, which add to human dignity, and increase the continuing capacity of the people to help themselves to achieve goal's which they determine for themselves.

It is the view of Nkama to involve the people in the development just as the Nigerian Nation cannot go ahead with its developmental programs without the contribution of the people no matter the nature of their contribution from different endeavors. So community development is the policy guideline that directs people's actions and thinking to ensure improved living condition for the people, and the activities of the government to secure alternatives programs to give the people new opportunities, easy access to a good and standard living condition and the provision of infrastructural necessities that will change life for good. Nigeria has used resources accruing to the nation non-oil exports to set the pace for other revenues from other sector generated to see a place in the development of the country in order to create positive impacts in development. Simply put, community development is a process through which government better the life of the people by providing to them all the basic needs and necessities of life so that most of the city features and characteristics can be seen and enjoyed at the rural communities. It is also used to prevent people from migrating to the urban cities for a more comfortable environment to stay.

# Nigeria's Situation with Regard to Non-Oil Sector

Nigeria as Africa's most populous nation, was known for its advantage in agriculture as the main stay of the economy and a non-oil sector which had provided for a satisfactory means of livelihood for over 70 percent of its population (Daneji, 2011). It is a major source of raw materials. For the agro-allied industries. And according to Okunmnadewa (1997) and World Bank (1998) a potent source of much needed foreign exchange. This sector had performed well before and after independence that all rural

community developments in all the regions was lined to agriculture. Agriculture also helped in the establishment of other manufacturing industries to the Nigerian population. It is estimated that Agricultural, industrial, manufacturing and Tourism all put together as non-oil sector provided about 70 percent Job opportunities to Nigerians. And had the capability to ensure uninterrupted foreign exchange earnings, steady local advantage and economic development of the country.

However, over the years, the sector and indeed other non-oil sectors had witnessed a decline in its contribution to national development. This has resulted to the mass exodus of able-bodied youths from the rural areas. Leading to the reduction seen on the percentage of the population involved in agriculture to 52 percent in the late 1990s. The collapse of the Nigeria's prosperity has put the country in a very precarious economic situation because she has failed to diversify her economy. Agriculture products which were the mainstay of the country's economy before the advent of the oil boom have been virtually relegated to the background (Anyanwu etal 1997). Other non-oil sectors like industrial, manufacturing tourism etc. export and cash crops have slumped precipitously. Before 1973, export crops such as cocoa, palm produce and groundnut accounted for 70-80 percent of Nigeria's foreign exchange reserve. Today they contributed less than 10 percent of our total foreign earnings. Farmers have neglected the cultivation of cassava, rice, millet, yam, beans etc and joined in the scramble for Nigerian oil wealth. The abandonment of these non-oil sector had led Nigeria to import virtually everything it consumes, causing scarcity and rampant inflation. Nigeria imports of 5 percent of her rice requirement, yet a prudent agricultural policy would have led to surplus output of rice both for domestic consumption and export to neighboring states, Author (Nwankwo, 1982). However another good reason why the oil sector should be de-emphasized is that the price instability has significantly distorted the performance of industrial and the conditions of living in many countries that depends on oil and petroleum production as sources of energy (Hameed, 2006:131).

#### Policy Options for the Development of Rural Areas in Nigeria

Good policies has been initiated, but does that determine the effectiveness of implementation of such policies? Let us examine programs embarked upon by the Federal Government with the aim of addressing agriculture and rural development related problems in Nigeria. Numerous programs have been initiated in Nigeria for the development of rural communities in Nigeria, these programs include the Operation Feed the Nation (OFN), the Green Revolution and the establishment of the National Agricultural Land Development Agency (NALDA). The programs set up specifically for rural development were the farm settlement scheme, the River Basin and Rural Development Authorities (RBRDA), the Directorate of Food Roads and Rural Infrastructure (DFFRI) and the Family Economic Advancement Program (FEAP) Financial institutions like the community and people's banks were also established. Now known as Bank for Agriculture BOA. Also NEEDs-National Economic Empowerment and Development strategy was initiated and inaugurated in 2005 and outlines policies and strategies designed to promote economic growth in the country. The NEEDs strategy realizes that agricultural and rural development are essential and that the major goal of NEEDs cannot be accomplished without rapid agricultural growth and broad rural and community development. A principal focus of the programs is the alleviation of the worsening rural poverty, rising unemployment rates among young people and the marginalization of women. All this undoubtedly are much magnified in the rural areas as opposed to other places.

Each program had achieved some level of success in the rural community development and still leave much to be done in this regard because apart from the neglect of Agriculture, the industrial sector has not received the required attention. Throughout the oil boom period. No notable industry that could provide backward and forward linkages in the economy was established. Most industries are assembly plants with heavy dependence on the metropolitan countries. The iron and steel industry that has not been completed is heavily dependent on foreign importation. Instead of flavouring the development of agriculture and industry, Nigerian oil prosperity has benefited mostly the giant multinational oil companies (Nwankwo, 1982). There is a misplacement of priority attention on non-oil sectors that could have had the possibilities of achieving much greater value in the areas of rural and community development with a sustainable tempo which will steadily advance. The table below explains the contributions of oil and non-oil sector from (1970-1996)

aeveid	opment.				
Уr	Total Rev.	Oil Sector	% contributor	Non-Oil	% Contributor
1970	634.00	166.60	26.28	467.40	73.72
1971	1168.00	510.00	43.64	658.70	56.36
1972	1405.10	764.30	54.39	640.80	45.61
1973	1695.30	101.00	59.93	679.30	45.61
1974	4537.40	3724.00	82.07	813.40	17.93
1975	5514.70	4271.50	7746	1243.20	22.54
1976	6765.90	5365.20	79.30	1400.70	20.70
1977	8042.40	6080.20	75.61	1961.80	24.39
1978	7371.00	4555.80	61.81	2815.20	38.19
1979	10912.40	8880.80	81.38	2031.60	18.62
1980	15233.50	1235.30	81.09	2880.20	18.91
1981	13290.50	8564.40	64.44	4726.10	35.56
1982	11433.70	7814.90	68.35	3618.80	31.65
1983	10508.70	7253.00	69.02	3255.70	30.98
1984	11253.30	8269.29	73.48	2984.10	26.52
1985	15050.40	10923.70	72.58	4126.70	27.42
1986	12595.80	8107.30	64.37	4488.50	35.64
1987	23380.60	19027.00	74.97	6353.60	25.03
1988	27596.50	19831.70	71.86	7765.00	28.14
1989	53870.40	39130.50	72.64	14739.90	27.36
1990	98102.40	21.887.10	73.28	26215.30	26.72
1991	100991.60	82666.40	81.85	18325.20	18.15
1992	190543.20	162102.40	86.15	26375.10	13.85
1993	192769.40	162102.40	84.09	3066.700	15.91
1994	201910.80	160192.40	79.34	41718.40	20.66

This table indicates the contribution of the oil and non-oil sector to Nigerian development.

1995	459987.30	244902.30	53.24	215085.00	46.76	
1996	5203390.00	266000.00	51.12	254190.00	48.88	
Same CDN1/and) Statistic Dullatin						

Source: CBN (1996) Statistical Bulletin.

From this table it is evident that the oil sector contributed 26.28 percent while the non-oil sector contributed 73.72 percent to the Federal Government revenue in 1970. Notwithstanding the decline in oil revenue and dominance of the oil sector in other years that followed with later fluctuation seen in both sectors. According to Nnonyelu et al (2001).

a parametric analysis of the relative contributions of these sectors was necessary to gain insight into the extent to which their variabilities could account for the variability in the total revenues

It is highly indicative that the non-oil sector if sustained with diversification policies realizing the way so far for the rural community developmental impact enjoyed from the non-oil sector in Nigeria, this country Nigeria can boost of integrated dual sector that is, (oil and non-oil sectors) consistently viable and development oriented especially as it concerns rural community development. A brief examination of the performance of the Oil and Non-Oil export from 2004-2009 below will also be of great importance in this paper.

Component	2004	2005	2006	2007	2008	2009
	97.5	98.3	97.8	97.9	99.0	95.8
Oil export						
Total Non-Oil	2.5	1.7	2.2	2.1	1.0	4.2
export						
Total	100	100	100	100	100	100
Non-Oil						
Agriculture	33.0	41.7	37.8	39.7	58.3	46.9
Minerals	2.0	4.0	8.5	6.3	7.7	6.7
Semi manufacturing	48.8	40.6	37.9	39.4	17.0	29.2
Manufactured	5.0	9.8	11.1	10.3	8.7	9.1
Other Exports	11.2	3.9	4.7	4.3	8.3	8.1
Total	100	100	100	100	100	100

Table 12: Economic sectors' contribution to Nigerian export in percentage

**Source:** National Bureau of statistics as contained in Sanusi, Lamido "Growth prospect for the Nigerian Economy" in Anyechie & Chukwudi (2015:90).

Since diversification of an economy is practically noticed by the impact of internal growth to the percentage increase in exports products, and services locally produced. Thereby enhancing maximum share from other sectors in country's exchange earning capacity. From the above table, oil export stood above 97 percent from 2004-2009. Agriculture can be said to have been neglected with its capabilities as a sector that has never failed this country. Counting from pre-independence and post-independence economic era, it recorded total percentage export contribution of 33.0 in 2004 than in 2007 it had 39.7 with an upward shift in 2008 with 58.3 percent. Mining only performed high in 2006 with 8.5 while manufacturing only had 11.1 and 10.3 in 2006 and 2007 respectively although other exports showed an increase in 2008 and 2009 when it recorded 8.3 and 8.1.From this, it can be seen that at a time the non-oil sector was playing a complementary role in driving the economy, the country still rely mostly on oil exports neglecting its non-

oil sector potentials (Ibiam, 2017:47). Quoting CBN facts for 2014, from 2010-2014, Non-Oil sector had been steady in its contributions even when it can lead the economy (Riti etal 2016:64). All actors have come to terms with the unending wealth of the Non-Oil sector but the limited fortunes of Oil sector need be drained before going back to the drawing board.

#### Theoretical framework

The economic protectionist theory is also known as neomercantalist theory. It is the suitable theory for this paper because it emphasizes that national policies should provide protection to industrial growth and international. This will encourage greater exports than imports. Thus when the Non-oil sectors takes upper ground in national economy, the domestic production attracts high rate of exported goods services. The protection that the national economy needs should be guaranteed by the policies and laws of the land. National economies need as much protection as international trade in a competitive and challenging world economic system (Aja, 2001:25). The strength of any sector most especially the Non-Oil sector which has high employment potentials, sustainability value and possible steady steady growth depending on the domestic technological know-how can mobilize Nigeria's national productivity with positive impact at the rural/community levels.

# CONCLUSION

Nigeria should focus on the development that see food on the table of its population, ensure housing, education, infrastructure, healthcare delivery, employment and optimal utilization of the potentials at community levels as it is at that level that development is seen not from what has happened with its international transactions. ICT has much if we can tap its resources. A country whose citizens are hungry and exists far from the basic necessities of life cannot go to other lands and become a philanthropist and want its rate of development to be evaluated from such flamboyancy outside its borders. The counting should begin with verifiable impact positively on the rural people. Nigeria needed only a sustainable political framework and policies to sustain its level of development in the rural communities within resources from the non-oil sectors. This sector stands far from the price manipulation of the world biggest economists as it is seen in the oil sector. Non-oil sector have some independence on the area of pricing policies if the indigenous government, which can ensure the protection of such sectors from outside pricing determinant even in the face of globalization. What is needed is sound consciousness for its protection through enabling laws, policies and regulations which will economically be interested in the protection of our mostly indigenous values for greater export relations.

# RECOMMENDATIONS

In order to ensure a sustainable rural and community development in Nigeria resulting from the revenue generated form non-oil sector, the following point must be religiously pursued and implement by Nigerian leaders.

- Reason alternatively about what will happen to Nigerians the oil sector should get dried up. With this an alternative government policies should be in place to strengthen the non-oil sector to a full productive capacity without expecting results from it until it is fully grown, this is in the area of Agriculture, industrialization, manufacturing and tourism. These four areas have chain relationship as non can survive without the other for instance manufacturing and industrial sectors cannot be without raw materials derivable form Agriculture.
- The spirit of continuity with previous policies by a successive government, so that the main objectives and goals of numerous rural and community development programmes of every government will be realized.
- Realizing that after oil we should think of what is next. Having this thought will enable the government establish a policy framework that maximizes the incomes of the working rural dwellers with the accompanying facilities and other enablement to contain rural urban migration. This will encourage high productivity and available and cheap raw material for our industries thus earn a lot from export for continues rural development.
- Government should not see rural development a wastage of our economy as this has been the attitude of our leaders who will always ask how many people benefit from certain infrastructure but they should see any infrastructure and other necessities as a multivator for the improvement on the non-oil sector which its gain will come later.

# REFERENCES

- Akpantun, U. C., (2013), Future Challenges in Transportation in Nigeria <u>https://www.academia</u> edu/7304123/future\_challenges\_transportation retrieved 21/6/2017
- Aliyu, A. H., (2006), The Implications of Rising Oil Prices and Environmental concern for oil Exportating countries *Nigerian Journal of InternationalAffairs* 32 (2) 129-131
- Anyachie, C. M. & Areji, A C., (2015), Economic Diversification for Sustainable Development? Retrieved from http://www.sciip.org/Journal/oips http//dx.doi.org/10.4236/01ps.2015.52010 accessed on November 2016
- Anyanwu, J. C. etal (1997), *The Structure of Nigerian Economy (1960-1977*/ Onicha Joanee Educational publishing Ltd
- Chiliokwu I., (2006), Comparative & Rural Community Programmes: Readings in cooperative Economic & Management. Computer Edge Publishers, Lagos
- Ekperiware, M. C., (2017), Comparative Study of the Effect of Transportation on Economic Growth of Nigeria https:// www.academic.edu/33141562/comparative\_study-of retrieved 5/4/2017
- Ekuma, N., (1973), Seminar Paper on "Leadership and Community Development", Enugu
- Ibiam, S. M., (2017), Diversification of Nigerian Economy And National Development 2005-2012 A Doctoral Seminar paper presented to the Department of Public Administration and Local Government UNN
- ldeas.respect.org/.../2011P142-151.htm/retrieved 3/10/2014
- ldeas-respect.org/.,/2011/142-151.html retrieved 3/109/2014.

- Nnanta, N. E., (2004), An Introduction to the Study of Population Dynamics and Data Stimulation for Planning and Urban Development Department of Public Administration and Local Government UNN
- Nnonyelu A. U. Nkemdilim et al (2001), *Main Currents in Socio-Political Issues*: Enugu NIGIB Publishers Ltd
- Nwankwo A. A., (1982), After oil, What next, oil and Multinationals in Nigerians Enugu fourth dimension Publishers
- Nwizu, G., (2002), *Studies in Modern Public Administration* Enugu NGIB Publishers Ltd
- Obadan, M. I., (2002), "Integrated Approach to Rural Poverty Reduction in Nigeria". Nigerian Tribune Tuesday 12 and 19 Pages 40 and 26 respectively.
- Obasanjo O., (2003), National Broadcast on the Issue of the Review of the structure of Government in Nigeria. Abuja.
- Ofoeze, H. G. A., (2002), On Politics and Law In Africa: A Concise View Enugu John Jacobs Classic Publishers Ltd
- Ogunkola E. O. Bankole A. S.I Adewuji A., (2008), China Nigeria Economic Relations, AERC Scoping Studies on China Africa Relations (Revised Report Submitted to the African Economic Research Consortium: www.aercafrica.org/documents/Chinaafricarelations-pafretrieved 30/9/2014.
- Oha Yide, S. O.I Ogunfowura, O; Essang, S. M. and Idachaba F. S., (1981), *Elements of Rural Economics*, Ibadan University Press:
- Okafor, G. & Ugwu, C. E., (2012), President Goodluck Jonathan's Transformation's Agenda: Prospects for Development in Nigeria Nigerian Journal of public administration and local government xvi /1/131-145
- Okafor, S.O., (2001), in Nnonyelu, N. A. edited Alternative sources of Revenue for Nigeria Other than Oil Main Currents in Social-Political Issues Enugu NIGIB Publishers Ltd
- Okhiria, F. E., (2008), Nigerian Railway Corporation NRC Presentation at the 7<sup>th</sup> Edition of Africa Ports &rail Evolution, 2018 Titled 'Role of Rail Transportation in Optimal Port Operations'
- Okumadewa F., (1997), *Poverty and Income in Nigeria:* Measurements and Strategies for Reform. Paper presented at the vision 2010 workshop, Abuja.
- Onibokun. A. G., (1987), "Rural Development Policy Planning and Implementation in Nigeria" Journal of the Nigeria Institute of Town Planners Vols. VII and IX
- Opara I. A., (1997), *The Military and the State.* Creative Educational Management Consultants Owerri.
- Osaloye J. I., (2008), "Poverty Alleviation in Nigeria in Pragmatic Approach" Journal of office Technology and Management Vol. 1 no 2, June
- Riti, J.,Gubak D. and Madina D., (2016), Growth of non-oil Sectors: a Key to Diversification and Economic Performance in Nigeria Retrieved From iiste.org/Journal/index: php/PPA R/articles/ view file/2967/30468 accessed December, 2016
- Uzor, E., (2004), *Public Enterprises in Nigeria*, A study in public policy-making in a changing Political Economy University Press Plc Ibadan.

Wikipedia online material – retrieved 6/10/2014.

William, S.K.T., (1978), Rural Development in Nigeria. University of Ife Press, Ile Ife
World Bank (1986): Poverty and Hunger: Issues and Options for Food Security in Developing countries. Washington D. C: world Bank.
www.academia.edu/509284/Nexus-betw-retrieved3/10/2014
www.cbardp.org. Retrieved 3/10/2014
www.journal.au.edu/an-techno/2010/a..retrieved3/10/2010.
www.nigerianamerica.com>Home>miscellaneous-retrieved 3/10/2014

www.onlinenigeia.com/tours/retrieved 6/10/2014.

www.rmrdc.gov.ng/resources/PNF/retrieved 3/10/2014.