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IGWE, B.U.N., AKINBINU, A.G. AND BANWO, P.A., Eds, 1987
SMALL-SCALE INDUSTRIES AND THE DEVELOPMENT OF NIGERIA
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This volume presents the proceedings of the National Conference on Small-Scale Industries (SSI) and the Development of Nigeria held at the University of Ibadan from 22nd – 25th of February, 1987. It contains eighteen (18) papers, their summaries and the conference's recommendations. Participants included small-scale industrialists, industrial and management consultants, banks and government officials as well as researchers.

The main objectives of the conference were to:

- (a) provide a forum for local entrepreneurs, technology vendors, consultants, small-scale industrialists, engineers, loan managers from financial institutions, researchers from industrial research institutes and universities, as well as officials from other government agencies to interact and discuss ways of stimulating the development of SSI;
- (b) acquaint local entrepreneurs with the investment opportunities that exist in SSI in the country;
- (c) identify problems and prospects that are associated with the implementation of SSI projects; and
- (d) create awareness and generate entrepreneurial interest in SSI.

The papers were presented on the sub-themes of:

- (i) General Issues on SSI;
- (ii) Government Policies and SSI;
- (iii) Investment Opportunities in SSI;
- (iv) Appropriate Technologies for SSI;
- (v) Financing of SSI; and
- (vi) SSI Loan Management

Five papers discussed the definition of SSI. The authors are agreed that there is no universal definition of the subject. Definitions by the Central Bank of Nigeria (CBN), Nigerian Bank for Commerce and Industry (NBCI) and the Federal Ministry of Industries (FMI), which themselves have changed over time, were cited by the authors. Common to the definitions by these institutions is the use of only capital invested or turnover as determinants. Again one of the authors cited a study conducted by the Georgia Institute of Technology, USA, in which fifty definitions were compiled from seventy-five countries. The conference supported some of the authors who were of the view that other parameters like number of people employed, total assets and the volume of local raw materials utilized should be used in arriving at a more functional definition. One flaw in most of the papers is the synonymous use of SSI and Small-Scale Enterprises (SSE). This has followed the tradition of policy-makers which has made it difficult for enterprises engaged in manufacturing to benefit from government policies. Given the present needs of the economy, SSI should, in policy framework, be defined sectorally as a sub-set of SSE.

Two authors (but not exclusively) discussed fully the problems that have hindered the development of SSI in the country. They included undercapitalisation, ignorance of institutionalised incentives, high rate of business mortality, lack of trained personnel, restricted market, aversion to ownership dilution, poor accounting and record-keeping, diversion of business funds, poor infrastructural facilities, inadequate and unharmonised incentives and lack of appropriate technologies.

The institutional arrangements and incentives put in place by the government to promote the development of SSI were discussed in two papers. They discussed impacts, successes and limitations of the policies and concluded that the government has been very active in promoting SSI. They were also of the view that more could be achieved if their recommendations are implemented. The third presenter on this topic lamented the negative impact of the policies. He claimed that such policies have produced undesirable results because they are grossly inadequate and badly executed.

Four papers covered the very important areas of technology development. Two extensively discussed adaptive processes. The first discussed the need for small-scale mechanisation of crop processing in the rural areas. The second discussed adaptive processes for SSI in the chemical industry. The author suggested that the performance of Nigerians in this sub-sector has been very poor because it is dominated by the multinationals. The other two papers treated appropriate technology for SSI. One of the authors was of the view that most local technologies have become obsolete. He however said significant progress has been made in improving local technology and making innovations. But the results of the innovations have not been commercialised because the technologies are inappropriate to the nation's needs. He described what it takes to make technology appropriate. The second author gave the NIFOR Palm Oil Extraction Process as a good case of appropriate technology. The NIFOR plant is said to be portable, efficient, inexpensive and very reliable. Its raw materials are home grown.

The very important issue of investment opportunities in SSI was treated in details in four papers. About sixty projects in different areas were identified. They do not require sophisticated technology and their reliance on imports for inputs would be very minimal. Industrialists will find this section of the publication very useful. Two of the papers are very important from development point of view. One discussed investment opportunities in the Light Mechanical Engineering Industry while the other was on the abundant potential investments in the chemical, petrochemical, pharmaceutical and allied sectors groups. The development of these engineering sub-sectors, with their acknowledged linkage and multiplier effects, will greatly enhance reliance on local resource inputs by industry.

Almost all the papers discussed the issue of financing SSI, although only five were specifically designed to address the topic. The authors enumerated the various sources of

finance available to the sector. The factors that block their access to these sources were also discussed. The scarce and costly bank credit as well as the high and fluctuating exchange rate of the naira, resulting from FEM operations, were prominent amongst these factors.

The experience of some other countries (India, Pakistan, Thailand and Japan) in promoting SSI, brilliantly discussed by one of the presenters, is worthy of note. The creation of institutions to promote SSI development and the assignment of roles to them in these countries are similar to Nigeria's experience. However, the Nigerian experiment has not produced results as good as theirs. The reasons for this disparity were well documented.

Generally, many useful recommendations were made, by both the authors and the Conference, to deal with the problems identified in all the sections. There is need for policy-makers to take most of the recommendations very seriously. Some of them deserve urgent attention.

By and large, a reasonable proportion of the conference's objectives have been achieved. However, the objectives of acquainting local entrepreneurs with investment opportunities as well as the creation of awareness and generation of entrepreneurial interest in SSI can hardly be achieved through this publication. This volume (454 pages) is not a good literature for small industrialists. It is therefore recommended that both NISER and the government should use other means to fill this gap. Publications in small pamphlets and the serialisation of these areas in the print media as well as talk-shops on the television and the radio would provide this missing link.

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