



Public Enterprises and Rural Development in Nigeria: A Study of Ebonyi State Rural Electrification Board

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Abstract

The development of rural areas in Nigeria has been a forgotten challenge towards the betterment of rural living conditions of the grass root people and as well reducing rural – urban drift in the country. The denial of opportunities for employment, high tendencies of poverty index and insecurity of lives and properties has silenced the unwavering impacts of public enterprises in ensuring effective rural development in Nigeria due to low attention paid at supporting rural development policies and programmes capable of giving rural dwellers a sense of belonging in the governance of the society. The study adopted social identity theory propounded by Henri Tajtel in 1978. The theory has it that the quest for development is to satisfy human needs and achieve positive self-esteem and self-worth which means that rural development in catering for social actions and changes in the life style of the rural dwellers is to ensure that life goes well with the people at the hinterland. Content analytical method was employed. Secondary data was utilized in collecting relevant data from texts, journals, newspapers and magazines, periodicals etc in an analytical manner that is fruitful for the study. The result established that the poor performance of public enterprises in Nigeria towards effective rural development is as a result of lackadaisical approach employed by the government in the management of public enterprises in the country. The study further conclude that harnessing the development potentials of public enterprises towards rural areas is still a mirage since several policies aimed at rural development did not stand a test of time due to poor implementation, poor funding of the enterprises by government and other administrative hiccups. The study recommends that there should be adequate effort towards enhancing effective management of public enterprises so as to meet the rural development aspiration in Nigeria, there should be a stringent measure to handle the challenge of corruption among the public enterprises boards and other actors, and Government should make more effort at providing infrastructural facilities in the rural areas through public corporations etc.

Keywords: Public Enterprises, Rural Development, communities, Service delivery and Government Policies.

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Introduction

The involvement of Public enterprises in accelerated rural development in Nigeria could be traced to the adoption of plans of import-substituting industrialization in Nigeria. In some countries, these plans have been on implementation process, for instance, public enterprise dates back to early 1920s, in Mexico till 1930s, and India in the late 1940s. The major reason for the establishment of public enterprises was due to weakness of the private sector in existence to compete with foreign products and as well exposed to the formation of alliance with foreign capital to the discredit of the national goal (Owolabi, FalayiOwoola, 2015). However, tracing the genesis of public enterprises in Nigeria, Ozor in Ugbo (2013) contend that public enterprises in Nigeria are in four phases. The colonial period (1900-1960), independence period (1960-1970), oil boom period (1970-1980), and Economic Recession period (1980 till date), this is the period of privatization and commercialization policies when corruption gained finger into Nigeria public enterprises. Fabricant in Okpata (2004) posits that public enterprises in developing countries dates back to colonial period when European union utilized public corporations as an arm of their government for colonizing foreign territories. In Nigeria, public enterprises began when colonial government established public utilities (railways, electricity, ports and coal mining in Enugu).

Olisa (1983) averred that it was after the Second World War in November 1939 and the mid-1950s that public enterprise came into existence in Nigeria. After independence, public enterprises fluxed into the country increased as the Nigerian policy formulation resorted to the use of public enterprises as a better tool of implementing development programmes in rural areas in Nigeria. As observed by Okpata (2004) that public enterprises were established in Nigeria, to achieve dual purpose of earning profit and achieving other societal objectives such as employment creation, reduction of poverty and improve rural development. Public enterprise in its traditional meaning refers to non-profit making organization established by the government for the purpose of providing social services to the citizenry. A body of people acting as one, established by government through a special law created, which is usually a corporate body. It was the effort of the government to solve the rapid increase in poverty, unemployment, poor



infrastructural development that compelled Nigerian government in the justification to manage her economy through regulatory policies, using public sectors relating to the activities of public enterprises on which large scale of funding is expended, which is expected to contribute immensely to the pace of rural development in Nigeria rural area. Public enterprises are an industrial sector which plays a crucial role in rural development in Nigeria. Following the inception of Economic reform programme in Nigeria in 1981, there have been thought to swift from capital intensive project which was anchored on the idea of importing development through public enterprises which have better hope for developing rural areas in Nigeria, thus providing the basic life sustaining goods and services that is capable of propelling the economy of the people areas towards development (Oni & Daniya, 2012). Ojo (2009) lent credence to this, that one of the constraint inclusive of Nigeria is poor encouragement of entrepreneurial development scheme in the presence of quality and infrastructural provision which remain the major catalyst to rural development in any developing nation. Argument has been rocking among scholars in favour or against the justification, importance, effective and efficiency of public enterprises in Nigeria because of low pace of rural development.

Cole (2011) contends that public enterprises mechanism is not only cost effective, socially responsible, effective and efficient for societies, but stands as a viable tool or instrument awakening a developing economy towards providing the individual needs without compromising time. Public enterprises have a great impact in the accelerated rural development within the context of Nigerian economy. From the above narratives, Popoola (2022) contends that the problem of service delivery and infrastructure provision through public enterprises calls for a responsive, effective, and collective positive action of various stakeholders and government actors. Ikechukwu (2013) argued that it was the mismanagement of public enterprises is the factor impeding its effectiveness and efficiencies, thus bastardizing the full utilization and exploration towards development in Nigeria. Abuh, Yunusa and Danjuma (2016) contends that these controversies were responsible for the initiation and implementation of the privatization policy and subsequently to the public private partnership (PPP) thereby warding off the attention of the policy on effective rural development in Nigeria. Adesammi (2011) posits that effective management of public enterprises is the major constraint resulting from corruption, nepotisms,



policy somersault, inefficiency and politicization of the process despite the social infrastructural being induced through the techniques in Nigeria rural development. Aluko (2004) concurred that despite huge sum of money that have has been invested in public enterprises, its performance and output in terms of capital returns have been low. Therefore, service delivery to the citizenry which is the major target of establishing public enterprises cannot be justified. The above evidence proved reasons to revitalizing public enterprises for achieving effective rural development in Nigeria.

Statement of the Problem

There is need to complement the social, economic and development thrive through public enterprises towards rural development in Nigeria, despite the politicization of the process which paved way for corruption fingers to grip public corporations from achieving its role on effective rural development in Nigeria. This has hindered service delivery targeted at boosting living standard of the citizenry especially at the rural sectors. Better management of public enterprises enhances proper utilization of the corporations' activities by creating job opportunities to the citizens which is one of the traditional roles of public enterprises in Nigeria so as to curb rural-urban drift. But despite the proliferation of public enterprises in Nigeria, unemployment is still on the high side. This has caused a lot of economic quagmire in Nigerian society that social vices like stealing, cultism, bribery, killing, kidnapping, corruption etc became the best channel of survival to the unemployed teaming Nigerian youths and underemployed public servants. The involvement of government in the management of public enterprises is to make stable policies, regulating the activities of those corporations towards achieving its set goals.

But the reverse became the case since there is policy summersault in the control and management of public enterprises in Nigeria towards achieving the rationale behind the creation of public enterprises. This made it those enterprises that would have contributed meaningfully in the rural development in Nigeria to become a moribund site thereby leaving rural areas in Nigeria in a helpless situation today. Provision of infrastructural facilities like good road, drinking water, health facilities, education and protection (security) remains the major indices of rural development, which public enterprises was established by government to complement in Nigeria rural areas, but it invariably turned into abortion of hope in Nigeria rural development.



However, the above statement of problem induced the researcher to make the following questions: to what extent has Ebonyi state rural electrification board affected rural development in Ebonyi State? Has the rural electrification board reduced unemployment challenges in Ebonyi state, and To what extent has the public enterprises policies effected rural development in Ebonyi state? The major objective of the study is to explore the effects of Ebonyi State Rural Electrification Board establishing as a public enterprises towards attaining effective rural development in the state.

Literature Review

Public enterprises refers to non-profit oriented organizations that have their objectives among others, the provision of social goods and services and which is either partly owned or fully owned by the government (Okpata, 2004). It is an organization subject to government legislations and can be jointly owned and managed by the government and private individuals. Otherwise, is an entity with explicit specific objectives utilizing resources (Man or materials) in the pursuit of their goals and can sue and be sued? Ogoli in Abuh, Yunusa and Danjuma (2016) contends that it is a legal entity apart from government ministries, departments or agencies and they engaged in economic activities with the major aim of providing essential goods and services for the citizens so as to meet their social, demographic, ecological, cultural and economic needs. Jerome (2008) observed that public corporations, authorities, boards or other agencies, owned, financed, managed and controlled by board of directors appointed by government. The rationale behind sitting public corporation in rural areas is to improve infrastructural development and as well improve living standard of the people.

They attract electricity, road, health and telecommunication facilities to the host communities thereby creating a linkage of businesses capable of improving their earning. Power of the rural dwellers, Ukpong and Edet (2016) argued that public enterprises is a vital tool for even development at the rural areas by saving as major facilitation for industrial spread into the rural enclaves, thus helping in mitigating rural – urban drift. Public enterprises is seen as a combatant agent in reducing unemployment problems of many countries in the world today this reduces poverty by enhancing the earning capacity of citizens thereby bridging poverty and inequality gaps. Ugbo (2013) posits that public enterprises could be grouped under the following criteria:



origin i.e. nationalized or non-nationalized enterprises, ownership, level of autonomy, activities or domains of interventions, otherwise the area of fields of operations of the enterprises, finding and management and finally, the nature of policy objective. This last stage could be of three types via; social corporations, development and finance corporations and socio-economic corporations which provide services that profit oriented. Okpata (2004) contends that the reasons behind the establishment of public corporations are to control key profitable enterprises by the government with a view to generate revenue to national purse for financing developmental programmes, to attain economic self-reliance, provide jobs for the teeming population, ensure direct control of strategies sectors such as banking, roads shipping etc by government, separate some activities from Nigeria civil service so as to allow for more autonomy of the enterprises and to make for socialist oriented regimes.

Odukoya (2007) further highlighted the importance of public enterprises to include the protection of exploitation and discrimination by private sector that area more akin to profit motive in providing goods and services for the citizens, thus making it encumbrance for the low income earners and lower class citizens to afford their basic needs. Public enterprises is not just beneficial to the citizenry but also to the government in the area of economic development, even distribution of public utilities, increased government revenue profile, protection of some major industries and as well improve standard of living in the country (Abuh, Yunusa & Danjuma, 2016). United Nations in Ezeani (2006) posits that public enterprises are “these enterprises in which the government has majority interest of ownership and management. It is an organization” that is set up as a corporate body and as part of the governmental apparatus for an entrepreneurial or entrepreneurial like objective (Adamolekun in Ezeani (2006). He further argued that the principal actors in the management of public corporations are the board, the general manager (Managing Director) and the secretary of the board.

Abuh, Yunusa & Danjuma (2016) wrote on public enterprises management: vehicle for sustainable development in Nigeria. The study evaluates the extent to which Public Enterprises has been managed to achieve economic development in Nigeria as the objectives. The study adopted qualitative method and revealed that the major challenge of public enterprises in Nigeria is lack of effective management, and recommend that government should use more elastic



approach in investment towards social infrastructure and enough mechanism should be put in place towards prudent management of Public Enterprises through proper accountability and legislation. Enyi (2014) examined rural and community development in Nigeria: An assessment. The study aimed at finding out the major challenges confronting rural or community development in Nigeria despite series of development plan that have been in existence in the country. It revealed that Nigeria development efforts since colonial period till date is a futile efforts. Descriptive survey method was adopted. The study recommends that the lopsided and urban based development process must be reversed to rural-based and bottom-up approach and government should create good conducive environment for rural development to thrive.

Ukpong & Edet (2016) in their techniques for re-positioning small and medium scale business enterprises in Nigeria for economy revitalization. Its objective is to proffer way forward for transforming small and medium enterprises to achieve its yield result in revitalizing Nigerian economy. The study adopted quantitative method in its analysis. It revealed that the major challenge of Small &Medium Enterprises are, financial problems, poor infrastructure, socio-cultural problem, planning problems, poor accounting system, multiple taxation system and policy somersaulting. The study further recommends that there should be a practical effort in encouraging Small &Medium Enterprises to access long-term, low funds rate from the capital market. Emmanuel and Daniya (2012) wrote on development of small and medium scale enterprises: The role of government and other financial institutions. It focused at finding out the role of government and financial institutions in the development of Small &Medium Enterprises in Nigeria. The study adopted quantitative approach in showing the relationship between these entities in encouraging the development of Small &Medium Enterprises in Nigeria. It revealed that financial institutions provides the necessary financial aid to Small &Medium Enterprises but government need to make for a stable policy formation capable of complementing the efforts of the financial institution towards the development. The study recommends that public private partnership should be encouraged in the development of Small &Medium Enterprises. The world rural refers to a geographical location that is agrarian in nature. Enyi (2014) posits that their houses are farm house, sheds and other structures of similar process. It was only features that differentiate rural areas from urban areas and any geographical sphere below 20,000 populations



of people and above living there is refers to as rural area. This was further polished by Olisa and Obiukwu (1992:12) that:

The main characteristics of rural areas are depression, degradation and deprivation. Rural villages are in absolute poverty that people are embodiment to it. In most rural places in Nigeria, basic infrastructures if at all it exists are inadequate to enhance reasonable development.

Rural areas are predominantly known for lack of roads, medical and health facilities, electricity, good drinking water, schools etc. the standard of living is very low, they are poorly served by public amenities, low income earners and this made them to show reasonable resistance to change in any form. However, it was due to the indigent nature of rural areas that public enterprises were established to serve as a solution to rural development and as well improve government economy in general. United Nations (1976) conceived rural development to be a composite or comprehensive programme for rural development in which all relevant sectors such as agriculture, education; housing, health and employment are conceived as interlinking elements in a system having horizontal as well as vertical linkage in operational and spatial terms". It is a holistic concept which involves the complexity and inter-relatedness of the many variables which influence the quality of life in rural areas (Aziz, 1999).

The complexity here involves the interaction of social, political, economic, cultural, technological and other situational factors (Enyi, 2013). For the realization of rural development, the above factors have to be integrated with local council authorities and plans with the aim of alleviating poverty in the rural sector. This lent credence to Mabogunji (1981) that rural development refers to the self-sustaining improvement of rural dwellers and connotes a broad-based re-organization and mobilization of the people living in rural areas in order to enhance their capability to cope effectively with the daily challenges of lives and adapt to the consequent changes there in. Schumacher in Ndukwe (2005) contends that rural development is the process of developing the skills of the masses to make them self-reliant through instruction which supply appropriate and relevant knowledge in the methods of self help. Aslam (1981) sees it as "i.e. process aimed at developing the rural poor, their economy and institutions from a state of stagnation or low productivity equilibrium into dynamic process leading to higher level



of living a better quality of life. Rural development must involve a strategies approach designed to improve the economic and social life of a specific masses: the rural poor. It means extending the benefits of development to the poorest among those who beseech a better life in the rural places. The problems of public enterprises towards rural development in Nigeria are numerous and seem to have to generally adopted solutions since its creation. Ozor in Ugbo (2013) stated that the problem associated with government related problems, board related problems, management resulted problems, worker's related issues, financial challenges and challenges from the general public. Mkpang and Edet (2016) posit that the challenges involves socio-cultural problems, planning problems, location/economic problems, poor accounting system, multiple taxation and unstable policy environment, Abuh, Yunusa & Danjuma (2016) contends that public enterprises in Nigeria ranges from factors such as political instability, monumental corruption, political influence that is the politicization of the system of good governance, underfunding, mismanagement of the enterprises which called for privatization of some of the public enterprises due to its ineffectiveness in carrying out its traditional role, and infrastructural deficiency thereby posing much problem in utilization of the social infrastructure at the rural areas.

Ezeani (2006) posits that factors that accounts for the poor performance of most public enterprises stemmed on the multiple and often contradictory objectives enterprises, excessive and lack of autonomy, excessive political interference on the side of government that controls it, absence of competitive environment, corruption and poor infrastructure in the rural areas. The above mentioned challenges are responsible for the poor performance of public enterprises in Nigeria towards effective and efficient rural development. It was owing this that Abuh et al, (2016) contends that these evidence proved overwhelming need to realign the existing policies towards strengthening the management of public enterprises and went further to suggest that public private mechanism should be at the peak to provide a complementary role towards effective rural development in Nigeria. It is imperative that we examine the institutions, agencies and strategies that Nigeria has adapted over the years to tackles issues relating to rural



development and their impacts on the society generally. This lent credence to Ogeidefa (2010), in Supper and Ubong (2024) posit rural development is an integrated approach to food production, the provision of institutional, social, and physical infrastructures, and the goal of bringing about sustainable agriculture, affordable and high-quality education, a good healthcare delivery system, and so on. It is often erroneously believed that rural development through the instrumentality of local government was considered almost synonyms with increased agricultural output of productivity. Thus, government policies and strategies towards the rural areas are essentials for initiating a broader rural development process. This misconception had led to a series of inappropriate policies and strategies such as agricultural extension approach, the community development programmes showed that they could not improve even agricultural production, which was their main focus, let alone the living conditions of the rural sector. It is therefore important at this point to review the institutions, agencies, policies and strategies of Nigeria's development planning from colonial era to the present time to see how they affect rural development.

Planning for rural development dates back to 1946 when the colonial administration formulated the Ten-Year Plan for Development and welfare for Nigeria. this was presented in the National Paper no. 24 of 1945 which could accurately be constituted as amalgamation of projects but which were not related to any overall economic targets of the country. Under this plan, the colonial government contributed to the financing of various research institutions such as the West Africa Oil Palm Institute (Nigeria) in 1951, Marketing boards and Regional Development Boards in the 1950s-1970s. These Institutes and Boards were set up with the primary motive of increasing the volume of export crops for British industries while less attention was given to the improvement of the problems of individual producers and the rural communities generally. In 1955-1960 Development Plans, the emphasis was on increased agricultural industrial production with a view to bringing about a rise income and improvement in the standard of living of the people. Just like the previous plan there were no specific projects for the benefits of rural people of Nigeria. Various scholars have commented on this situation. Nnoli



(1977:139) contends that the British colonial bourgeoisie in Nigeria succeeded in establishing a colonial economy in the country as a framework for consolidating and maintaining underdevelopment. This involved systematic appropriation of economic surplus for Britain's development, discouragement of rural manufacturing, stagnation of agriculture as well as maintenance of mass illiteracy and sustained technological backwardness. Onimode (1982:122) corroborated this idea that "the plan's conception of rural development was up till 1949 the improvement of the colonial economy as a version of the traditional mode of production... such conception aggravated and perpetuated the basic features of under-development". The role of the government during this period was merely the classical one of providing physical and social infrastructures on overhead capital as the foundation of the economy.

In buttressing this point, Cannon (1982:24) averred that the private enterprise was rather entrusted with the major job of developing the economy. The government role was to create favourable conditions for them through loans, subsidiaries, and technical assistance. The private enterprises were essentially British, this meant mobilizing Nigerian resources for British capital accumulation. The idea was that the colonial imperial plans and policies which failed to contribute to rural development in Nigeria. We identify with these views and to add that these colonial legacies were carried forward to the post colonial era. The era of rural development by the then regional governments was ushered in by the Western Nigeria government when it formally launched the farm settlement scheme in 1960. They were encouraged by the lack of wide spread employment among primary schools leavers in the region and unused areas in the riverside providences, which could be put to use. They were desirous of pioneering a new system of farming, which involved new techniques and the use of government supervised credit. The Eastern Nigerian government operated similar schemes. The 1967 Civil War in the country and its aftermath paralyzed the operation of these schemes. The settlement schemes in the West failed to achieve their lofty goals. Reports indicated that the rates of return on investment were too low for the average farmer to endure. The demonstration effect on the neighboring farmers was peripheral and its effect on alleviating the unemployment



problems of the school leavers had been virtually insignificant. The second National Development Plan, 1970-1974, stated its order of priorities to be agriculture, industry, transportation and manpower development. The plan further strengthened the continuation of the dichotomy between the rural and urban sectors, in spite of the lofty objectives of the plan, one of which was to build a just and egalitarian society. It is important to note that the concern of the federal government for rural development, received its first articulated expression in the guideline to the third national development plan 1975-1980. It was envisaged that the development of the rural sector during the third plan would concentrate on raising productivity in agriculture, the predominant occupation of the rural areas, through increase in per capital income, more even distribution of income, reduction in the level of unemployment, diversification of the economy, etc. It would also ensure the provision of basic social amenities such as water and electricity. It was projected that under the National being registered. Increase in the supply of high level manpower, balanced development and indigenization of economic activity were also some of the objectives of the plan.

The breakthrough in rural development came in 1976 with the creation of the department of rural development in the federal ministry of Agriculture. The department coordinated and monitored the progress of the integrated agricultural development projects under the package approach. It was the plan of the federal government to extend agricultural projects to all states with the objective of increasing agricultural productivity and incomes of the rural population and improving the living standards of the rural dwellers. The government in launching the local government reforms of 1976, considered as an important milestone in the evolution of the Nigeria Local government System, emphasized the need for the participation and mobilization of the people at the grassroots. The government stated that it was through an effective local government system that the human and material resources of this country could be mobilized for local development. It hoped that the reforms would further enshrine the principle of participatory democracy and political responsibility to every Nigerian. It stated that the reform would ensure that every stratum of the Nigerian society would benefit from the continued prosperity of the



country. Owing to shortage of funds and personnel the local governments have also not lived up to the expectations of the rural populace. The 1981-1985 Fourth National Development Plan did not make way departure from the position of the previous plans on rural development. The plan maintained that the over-riding aim of the development effort remained that the bringing about an improvement that the over-riding aim of the development effort remained that of bringing about an improvement in the living conditions of the people. Some of the programmes like the Directorate of Foods, Roads, and Rural Infrastructures (DFRRI), National Directorate of Employment (NDE), etc, were meant to bring about rural development in Nigeria. They too did not bring about much success because they were elitist conceived and implemented. The first, second, third and fourth development plans in Nigeria, like its colonial predecessor, were neither national nor developmental. Eteng (1982:21):

“The orientation of post-colonial planning is probably the most decisive in its perpetuation of underdevelopment. First, the post-colonial environment, which essentially defines the problem of underdevelopment, is taken as the earlier colonial environment. No serious effort is made for example to terminate the stifling post (neo) colonial domination and exploitation that is the basic generating force of contemporary underdevelopment.”

He further maintained that even in the 1970-1974 plan when indigenization was introduced, this was not addressed to changing the structure of the post (neo) colonial capitalist planning and economy. It is equally important to state that, in Nigeria today, policies and strategies to enhance rural development have enjoyed the general attention of foreign governments, international organizations, non-governmental organizations (NGO) which collaborate with Nigeria in different areas of economic, political and social sectors, visible among these organizations are the UNDP, the World Bank, the IMF, DFID, USAID, the UNO, and NGOs. At the regional front we have the African Peer review Mechanism (APRM). The cumulative impacts of the policies, programmes and activities of this institutions and organizations significantly affect the living conditions of the ordinary Nigerians and to large extent the development of the rural areas. The NEPAD is a home grown African initiative to address the critical development challenges especially those that have to do with poverty and improving the living standards of Africans-including Nigerians. This became imperative when African leaders woke up to discover that over 340 million Africans or half of its population lived on less than \$1 per day. The mortality rate of children under five years of age is 140 per 1000, and life expectancy is only 54 years. Only 58



percent of the population has access to safe water (Olokun, 2002). Furthermore, the Millennium Development Goals (MDGs) seek to attend to the development, and particularly poverty eradication goals and issues of 189 countries of the United Nations (UN). Nigeria as an active member of the UN is decisively involved in the implementation of the policy framework of the goals by putting in place her own plan and policy structure that would enhance the success of the MDGs in Nigeria. This policy framework is the National Economic Empowerment and Development Strategy (NEEDS). NEEDS is aimed at eradicating poverty and bringing about sustainable development through agencies such as the NAPEP.

Theoretical Framework

The theory considered suitable for this study is social identity theory. The proponent of this theory was Henri Tajtel in 1978. The theory has it that struggle emanates from the quest to satisfy human needs and achieve positive self-esteem and self-worth. This means that rural development gunning for social action and change in the life style of the rural dwellers is to ensure that life eke well with the people at the hinterland. The theory predicts certain intergroup behavior on the basis of perceived group status differences, the perceived legitimacy, and stability of those status differences and perceived ability to move from one group to another. It connotes general theorizing about human social services. The theory describes the joint contribution of public enterprises and rural communities in their development process so as to bridge the gap between urban administration and rural setting.

It beamed its lens on the social structural factors that will predict end of the spectrum and how it will mostly influence an individual's behavior towards the activities of the enterprises in developing the rural areas. It was the effort to harness the discrepancy between the rural and urban development that public enterprises stepped in to give more developmental assistance to the rural dwellers where it was assumed to have lack of development in economic, social, political and socio-cultural spheres. Enyi (2014) contends that in Nigerian context where the bulk of the people and land are rural, and where the level of rural output is very low, rural mobilization provides the quickest and most viable route to national development. He further averred that to break the behavioral barrier in the characters of the rural dwellers, technology for raising rural productivity and efficient utilization of resources, creation of efficient and effective



transport system for rural areas to ensure easy transportation of agricultural produce for food supply and supply of industrial materials to the public at large.

Methodology

The researcher adopted descriptive survey method and an extensive literature review from peer-reviewed literature, conference papers and periodicals etc. The secondary data in this study were derived through content analysis instrument. This instrument was utilized in collecting relevant data from texts, journals, newspapers and magazines in an analytical manner that is fruitful for the study. The data generated presented infrequency tables, percentages, and hypotheses formulated were relatively tested such that Pearson product correlation coefficient formed the basis upon which the extent of relationship between public enterprises and rural development in Nigeria. The relationships of the two variables were established while t-statistics was used to test the level of significance.

Results and Discussion of Findings

Sequel to reviewed literatures on the subject matter, it is established that the poor performance of public enterprises in Nigeria towards effective rural development is as a result of lackadaisical approach employed by the government in the management of public enterprises in Nigeria. There is no credit scheme to boost the adequate fund of the enterprises. This has led to the withdrawal of government from the scheme to establish Nigerian bank of commerce and industry which have not even yielded expected results in the development of rural areas Nigeria. The problem of public enterprises in Nigeria is lack of effective management; thereby make private enterprises to thrive for more effective service delivery at the exorbitant prices to the public expense. This makes it more difficult for rural areas to excel in their developmental struggle. The researcher used descriptive survey design. The relationships between the variables (dependent and independent) were analyzed using regression analysis, correlation analysis and factor analysis. The dependent variables, 'Y' has one factor represented by 'A' with public enterprises (PE₁) in Ebonyi State. The independent variables (B) which is a proxy of Rural Development have factors represented by 'B' with component as politics (p₁), Rural Urban Drift (RUD₂) and Government and Politics (GP₃).



Mean, Variance, Standard Deviation and Coefficients of Variation of Questionnaire Responses

Questionnaire	Mean	Variance	Standard Deviation	Coefficient of Items Variation
1.	2.2	2.8	1.87	34.62
2.	14	31.2	7.16	34.25
3.	21.1	13.31	9.66	34.37
4.	20	40	8.94	34.64
5.	12.2	21.5	7.87	34.60
6.	7	12.8	3.58	34.28
7.	5.4	6.19	2.86	34.53
8.	2.8	12.41	3.94	34.36
9.	21.2	33.7	8.59	34.61
10.	11.4	46.9	6.08	34.52
11.	10.3	31.40	5.72	34.68
12.	13.2	30.21	6.80	34.34
13.	6.5	18.43	4.29	34.45
14.	9.4	22.6	5.76	34.44
15.	8.5	18.7	6.23	34.31
16.	4.56	16.3	4.12	34.50
17.	5.02	6.21	3.01	34.64
18.	6.2	4.26	2.01	34.54
19.	18.1	23.6	9.06	34.49
20.	14.6	43.6	8.53	34.67
21.	18.2	34.23	7.67	34.49

Author's Computation 2024.

In order to eliminate possible errors, data collected were edited, coded and tabulated base on their frequency distribution. Also the mean, variance, standard deviation and coefficient of variation of the distribution were determined. Using the 5-point likert scale of 5, 4, 3, 2 and 1 used in the questionnaire responses, means score of 3 and above were rated as positive while those below 3 mean score were rated as negative., the dependent variables which is Public Enterprises (PE) has a mean score of 0.804, standard deviation of 0.142 and variance of 0.020. Politics (P), Rural Urban Drift (RUD) and Government and Policies (GP) are the independent variables in the research. They are account for a mean score of 0.706, 0.823 and 0.799 respectively and standard deviation of 0.154, 0.169 and 0.159 respectively.



Descriptive Statistical Analysis

Variables	Mean	Standard Deviation	Variance
PE	0.304	0.142	0.020
RUD	0.406	0.154	0.024
GP	0.523	0.169	0.029
RD	0.65	0.159	0.026

Author's Computation 2024

Table above explains the descriptive statistical analysis between the dependent variable and the independent variables using mean, standard deviation and variance. The descriptive analysis shows above indicates strong positive relationships public enterprises and rural development in Nigeria. The independent variables (public enterprises) and the dependent variable (rural development) are aggregated and tabulated in SPSS for hypothesis testing. The techniques used are as follows: The researcher incorporates factor analysis as criteria for validity. Confirmatory factor analysis is used for the measurement criteria based on other studies related to rural development. The same method of analysis is conducted to identify the strongest underlying factor of the dependent variable rural development in Ebonyi State. The Eigenvalues and sum of squares loadings for the factors are displayed.

Variance Detail

Variables	Initial Eigenvalues			Extraction Sums of Squared Loading		
	Total	% of variance	Cumulative %	Total	% of variance	Cumulative %
ED	0.210	4.260	100			
CP	2.366	26.820	26.820	2.392	26.820	26.820
IF	1.112	13.412	22.153	1.112	16.326	47.455
LCP	0.931	13.413	62.526			

Sources: Principle Component Analysis 2024

The results of principal component analysis indicate that, there are two factors whose Eigenvalues exceed 1.0. The Eigenvalue of a factor represents the amount of the total variance explained by that factor. The two factors identified in this study explain 27.12% of the total variance. The first factor explained 24.16% of this variance. Similarly, the second factor explained 18.42% of the total variance. The percentage of variance combines for succeeding



variables to make up 100 % variance. The researcher incorporates Kaiser's criterion and Cattell's screen test to extract the first two factors. According to Kaiser's criterion, factors with Eigenvalues of 1.0 and greater than 1.0 are extracted for further investigation. Two factors are identified for the factor analysis using the Eigenvalue criteria. ($r=0.177$). The variables hold a positive correlation at a significance level of 0.05. The value shows that Rural Urban Drift (RUD) cannot help in Rural Development in Nigeria.

Correlation between Factors of public enterprises and rural development.

Variables	Pearson Correlation (r)	Significance (2-tailed)
P		0.013
RUD	0.531	0.000
GP	0.604	0.000
RD	0.177	0.031

R is Pearson Correlation Coefficient

Correlation is significant at the 0.05 level.

Analysis of the correlation matrix indicates that independent variables has a significant positive relationship with sustainable economic development ($r=0.201$). The positive result indicates that public enterprises have a significant effect on rural development in Nigeria. . The results also indicate that there is a strong, positive correlation between three variables: politics, rural urban drift and government and policies ($r=0.421$ and 0.213). The result also shows that inadequate funding is found to have a high significant positive relationship with rural development in Ebonyi State ($r=0.213$). Furthermore, the results also show a relatively weak correlation between public enterprises and government and policies in Nigeria. In order to test the effect of politics on rural development in Ebonyi state, the study used linear regression analysis to find out the relationship and intensity for how each independent variable affect rural development in the study area through the establishment of public enterprises. The dependent variable and the independent variables are aggregated for data analysis and are entered for regression analysis. The value of R squared is 0.642 or 0.49 approximately. The value of R squared shows the portion of dependent variable explained by the independent variables. The score for R squared is significant at 0.0001 levels, which shows that the findings are statistically robust.



The data associated with this regression results are as stated below;

Variable	Coefficient	Std. Error	t-Statistic	Prob.
P	0.232234	0.078055	1.376167	0.0000
RUD	0.106182	0.056789	0.115231	0.0000
GD	0.284232	0.067426	0.342145	0.0000
RD	0.373283	0.063214	0.444104	0.0000
R-squared	0.784647	Mean dependent var		12.22381
Adjusted R-squared	0.754352	S.D. dependent var		4.312310
S.E. of regression	3.528592	Akaike info criterion		5.563931
Sum squared	199.2153	Schwarz criterion		5.812627
Log likelihood	-53.42128	F-statistic		3.467704
Durbin-Watson stat	1.738021	Probability		0.000000

Source: E-View 4.0

The estimation results reveals that the explanatory variables jointly account for approximately 67.36% change in mobile phone usage. The Durbin's statistic of 0.385 shows the absence of auto correlation. The estimation result shows that the variables- politics, rural urban drift and government and policies are statistically significant in explaining the level of rural development in Nigeria.

Conclusion

It is absolutely true that public enterprises has immensely contributed to the development of rural areas in Nigeria, but harnessing the development potentials of public enterprises towards rural areas is still a mirage since several policies aimed at rural development did not stand a test of time due to poor implementation, poor funding of the enterprises by government and other administrative hiccups. These have made it cumbersome for the existing public enterprises to operate effectively towards achieving accelerated rural development in Nigeria.

Recommendations

1. There should be adequate effort towards enhancing effective management of public enterprises so as to meet the rural development aspiration in Nigeria.



2. There should be a stringent measure to handle the challenge of corruption among the public enterprises boards and other actors.
3. Government should make more effort at providing infrastructural facilities in the rural areas through public corporations.
4. There is need to engage professionals in formulation of stable and reliable policies that will stand a taste of time in controlling the activities of public enterprises towards rural development.
5. Government should address all the administrative hiccups that form the basis upon which the efforts of the public enterprises towards rural development are defeated.

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