

INDUSTRIALISATION IN AKWA IBOM STATE, 1987-2017: AN ASSESSMENT

BY

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Abstract

At its creation in 1987, Akwa Ibom State was dubbed the “Land of Promise”. The new state was touted by most people as the panacea for the indigene’s development problems. The promise inherent in this expectation was that of rapid infrastructural development as well as enhanced standard of living. It was an admission that, finally, the process of effective and efficient exploitation of the abundant human and natural resources in the state had commenced. One crucial sector that was expected to help drive the vision of the rapid development was the industrial sector. Indeed, at its creation, Akwa Ibom inherited about 10 industries from the old Cross River State, though many were ailing. This was in addition to the Newsprint Manufacturing Company at Oku Iboku. There were also a few private small and medium-scale industries. With its rich natural and human resources, it was expected that the dreams would soon be fulfilled. Succeeding governments have come out with various policies and measures in this area; yet, the industrial dream appears to be far from being achieved. This paper is an assessment of the industrial programmes of Akwa Ibom State since 1987. The paper notes that some administrations in the state made empty and unfulfilled promises about the industrialization agenda. It recommends that the industrial agenda should be re-visited and anchored on the existing blueprint to drive the development of the state. The paper adopts a historical narrative method.

INTRODUCTION

Industry produces goods and services which the community uses. Industry includes manufacturing, mining, quarry and construction activities. But in a restricted sense, the word “industry” is used to describe the industrial establishments that change raw materials into finished products. At its creation in 1987, Akwa Ibom State inherited 10 state-owned industrial establishments from the Cross River State, even though many of these industrial establishments were ailing (Ukpong and Iniodu, 1994).

The state comprises public and private sectors. The public is mainly concerned with the public service and government sponsored programmes while the private sector is concerned with small and medium scale businesses. However, the privatisation and commercialisation agenda of government emphasises private ownership of, or participation in, the industrial enterprise in the state. To date, the private sector has a very weak industrial/manufacturing base with very low capital content.

Organised industrial activity dates back to the pre-independence years in the 1950s when palm produce was the chief foreign exchange earner for the Eastern Region of Nigeria. Mills to extract the palm oil and crack the kernel to release the nuts were erected in many parts of the area. From the 1970s, the mills were neglected and allowed to rust and rot away; now some of them still remain as monuments. In the area known as Akwa Ibom today, there was no manufacturing industry until the mid 1970s and early 1980s. The established industries were based mainly on imported technology and semi-finished goods as the raw materials. They manufactured alcoholic and non-alcoholic beverages, paints, biscuits, plastics, batteries, ceramics, flour, soaps, etc. with very little industrial inputs from local sources. Later on, these industries ran into serious problems and either folded up or reduced their production capacities to the barest minimum because of scarcity of imported raw materials (Akpabio, 1991).

In realising the imperative of the industrialization to the development of the state, past administrations made several efforts in re-positioning the industrial sector through the reactivation of the ailing industries, privatisation and commercialisation of some of the industries and related programmes. However, some administration did not show much commitment in this direction, hence, the industrial agenda has not been achieved.

CLARIFICATION OF TERM INDUSTRIALISATION

Generally, industrialization, to a lay man, means the process of transforming the productive and commercial enterprises by the use of motive machines. This simple meaning of industrialisation can be further expanded to take into account all the processes which must be technically transformed before a community can achieve sustained increase in productivity. Going by the definition by Abba, *et al* (1985), the meaning of industrialisation becomes clearer.

They define industrialization as the:

Process of developing the capacity of a country to master and locate, within its border, the whole industrial production process; production of raw materials; production of intermediate products for other industries, fabrication of the machines and tools required for the manufacture of the desired products and of other machines; skills to operate, maintain and reconstruct the machines and tools; skills to manage factories and to organize the production process (Abba, *et al*, 1985: 51).

According to Backmen and Andrae (1985) cited in Ndebio (1991), industrialisation is the “process of economic development in which a growing part of the national resources is mobilized to develop technically up-to-date, diversified domestic economic structure characterized by a dynamic manufacturing sector having and producing means of production and consumer goods and capable of ensuring high rate of growth for the economy as a whole and of achieving economic progress”.

The United Nations Committee for Industrial Development’s view of industrialization does not significantly differ from that conceived by Abba, *et al* (1985).

World Bank Report (1995) cited in Ndebio (1991) identifies the components of an industrial sector in any economy to include: manufacturing, mining, construction, electricity, water and gas. Studies made have shown that the manufacturing sub-sector is the most dynamic part of the industrial sector, and without it, industrial development is impossible. Therefore, for a third world country such as Nigeria, in which Akwa Ibom State is an important part, manufacturing holds the key to improved industrial output. Manufacturing is indeed a strategic instrument capable of fostering self-reliant development if it is, of course, based on local raw materials sourcing and widespread adoption of intermediate local technologies to production in Akwa Ibom (Ndebio, 1991).

Iwok (1994) lists the following as some of the characteristics of an industrial economy:

- (i) Increasing use of higher forms of energy and more efficient technologies in every branch of economic activity.
- (ii) the production of goods and later, of services will usually predominate over agriculture, although the later will be carried on in an increasing efficient way.
- (iii) capital-intensive activities will increasingly predominate over labour-intensive activities i.e., the amount of capital per worker will tend to increase.
- (iv) the size of the productive unit will tend to increase...
- (v) savings and capital investments are increasingly carried on by corporate organisations
- (vi) corporate management of production becomes predominant, whether under state ownership, private ownership, or some mixture of public and private ownership.

Industrialisation can be achieved through joint effort of the public and private sectors. At present, Akwa Ibom State has a weak private sector. Most companies in the private sector are small or medium scale and concentration on trade or commercial (non-manufacturing) activities (Iwok, 1994).

INVESTMENT OPPORTUNITIES IN AKWA IBOM STATE

According to Ansa (2004), a mild tropical climate marked by two distinct seasons, the rainy and dry seasons, combine with attractive political and social conditions to create the right environment for

investment. He divides the current investment climate in the state into good and bad. He enumerates the good conditions to include: a warm, friendly people, visionary leadership, relatively reduced crime rate, stable government, a relatively literate populace, part of the Calabar and Port Harcourt Zone (EPZ), access to the sea, value system that encourages hard work, member of Nigeria's South-South bloc, rich in economic resources (mainly oil and gas), mild tropical climate, small and compact state, increased per capita income from the implementation of 13 percent derivation fund.

Ansa (2004) also notes the following as being the adverse issues that affect the investment climate: high unemployment, weak private sector, poor rural economy, poor communication facilities, poor supply of power (electricity), poor water supply, high unit cost for business, collapsed industries, low industrial base as well as low income base.

INDUSTRIALISATION OF AKWA IBOM STATE

Attempts to create an industrial base for Akwa Ibom State began in the South Eastern State and continued in the old Cross River State, using Investment Trust Company Limited. The aims of industrialisation process were to: introduce new industries, stimulate business development, improve income of residents, train and improve skills and ensure social stability (Ansa, 2004).

In an attempt to meet these aims, the Governments of South Eastern State and Cross River States set up a number of industries. As noted, at its creation, Akwa Ibom State inherited 10 publicly-owned industrial establishments from the erstwhile Cross River State, some of them in ailing conditions (Iniodu, 1997).

A PROFILE OF SOME OF THE INDUSTRIAL ESTABLISHMENTS IN AKWA IBOM STATE

THE CROSS RIVER BREWERIES LIMITED, UYO

The company was incorporated on the 13th of July 1974 (as South Eastern State Breweries, the name was changed on the 11th of June 1976 to Cross River Breweries and became Champion Breweries on the 25th of April 1976). The company commenced operation in 1977. The ownership structure shows that the State Government owned 37 percent of the shares (as single largest shareholder). Between 1979 and 1986, the company, which was the manufacturers of Champion Beer and malt drink known as Champ Malt, attained an admirable height both nationally and internationally, a level the few companies had reached in Nigeria. Within 10 years the company became a source of living to more than 50,000 Nigerians directly and indirectly in the distributive trade, hotel and transport, engineering and managerial fields (Umoh, 1985).

Within nine years, the Cross River Breweries won three international awards – two awards for good quality production of Champion Beer and the other award for taking adequate safety measures for the protection of its workers. The company won Sword of Second Honour from the British Safety Council in 1983 and became one of the 10 companies in the world outside Britain to win such an award and the only indigenous Nigerian company to do so. During the first Federal Government sponsored Nigerian Trade Mission for Export Promotion in the United States of America in June 1984, the Champion Beer was the only Nigerian beer selected along with other Nigerian products to the United States market. Before Champion Beer was allowed to enter the United States, it had to first pass high quality control test to comply with American regulations governing all consumable items entering the country (Umoh, 1985).

While the other breweries in the country were in need of foreign exchange to import their raw materials, the Cross River Breweries became the first brewery company in Nigeria to embark on rice production to reduce foreign exchange spent on rice imports so that such foreign exchange could be made available for importation of raw materials which could not be produced locally (Ekpott, 2001).

In October 1981, the foundation stone for the second expansion of the brewery was laid. The second expansion was aimed at increasing production capacity from 500,000 hectolitres to one million hectoliters. While other government owned companies in many states in Nigeria drained tax payers'

money and had to be provided with government subvention from time to time, the Cross River Brewery Limited never received any subvention from the government (Ekpott, 2016). The establishment made significant contribution to the economic development of the state through the stimulation of industries already established (Ekpott, 2016). Ansa (2004), however notes that the brewery expansion programme failed. Indeed, at the creation of Akwa Ibom State in 1987, the Champion brewery was inherited as one of the ailing industries.

THE SUNSHINE BATTERIES LIMITED, IKOT EKPENE

Sunshine Batteries Limited, Ikot Ekpene was a typical foresight that the government of Dr. Clement Isong exhibited in the bid to uplift the economic base of the state. The company was incorporated on the 17th of January 1980 and was commissioned on the 15th of November 1984. The company's technical partner was Accumlatorenfabrik Sonnesneshein GMBH. The cost of erecting the company was DM87m. The technical partners were also the suppliers of raw materials (Udom, 1982).

The company's equity shares were shared by the state government, including Investment Trust Company, which held 33.10 percent of the total number of shares in the company. Other Nigerians, including Manilla Insurance Company Limited, held shares worth 13.65 percent, while the technical partners held shares worth about 10.44 percent (Udom, 1982).

Sunshine Batteries Limited made batteries for cars, trucks, tractors, motorcycles, etc. Other range of products from its technical stable included electrolyte and stilled water. However, its capacity utilisation was less than 15 percent and it shut down at about 8.5 percent installed capacity.

INTERNATIONAL BISCUITS LIMITED, IKOT EKPENE

The International Biscuits was another industry that was set up by the Cross River State government in a bid to promote economic development and offer a considerable level of employment to the indigenes of the state. The company which was sited at Ikot Ekpene, was incorporated on the 17th of January 1980, and commenced operation on the 10th of September 1982. The company produced biscuits and allied bakery products and had a capacity of 12 percent. The ownership structure was as follows: Cross River State Government (later Akwa Ibom State Government); 33.33 percent; Ime S. Umana, 13 percent; Manilla Insurance Company Limited, 10 percent and others, 43.67 percent. The company stopped production in 1989, two years after the creation of Akwa Ibom State (Ekpott, 2001; Ansa, 2004).

QUA STEEL PRODUCTS LIMITED, EKET

Qua Steel products Limited was incorporated in 1978 and commenced operation on the 29th of May 1983. The company had authorised share capital of 10 Million Naira. The ownership structure were as follows: Cross River State Government (later Akwa Ibom State Government), 66 percent; Daniel & Co. SPG of Italy, 14 percent Manilla Insurance held 5 percent equity shared, Investment Trust Company Limited had 1.44 percent and other Nigerian investors held shares worth 2.30 percent. Shares worth 11.16 percent were not taken up at all. The company manufactured products by melting, moulding, forging, pressing, rolling, cutting and tooling all description of rods, iron bars, welded mesh, coils and angles. The company's utilisation stood at 1.6 percent (Ekpott, 2001).

QUALITY CERAMICS LIMITED, ITU

Quality Ceramics Limited was another significant step taken under the leadership of Dr. Clement Isong in a bid to improve the economic and industrial base of the state. The company was sited at Ikot Ebom, Itam in Itu Local Government Area. It was incorporated on the 11th of June 1980. It commenced production in January 1987, while production stopped on the 24th of September 1992 owing to liquidity problem (Ansa, 2004).

The Cross River State Government held the largest equity shares of 36.56 percent, Welko Industries SPA of Italy (Foreign Shareholder) held 14.53 percent, Alliance International Nigerian Limited, Onitsha, held 11.28 percent shares, Manilla Insurance Company Limited held 7.67 shares, Imesco

Enterprises Limited held 1.69 percent shares. J. Udeagbale & Sons Limited held 23.69 percent of shares, Itu Local Government Area held 1.13 percent worth of shares while other investors held 3.45 percent of shares. The products of the company included tiles and sanitary wares (Udom, 1982).

PLASTO-CROWN NIGERIA LIMITED, UYO

Plasto-Crown Nigeria Limited is located in Aka-Offot, Uyo Local Government Area. The company was incorporated in October 1976 and commenced operation in April 1978. The ownership structure was as follows: Cross River State Government (later Akwa Ibom State Government held 42.9 percent of shares, the Technical Partners, Deutsch Amerikanische Handelsgesellschaft (DAH of Germany) held 17.1 percent shares, Nigerian Industrial Development Bank held 12.9 percent, Utuks Motors held 8.6 percent. Other share holders included Imesco Enterprises Limited 1.9 percent shares, and Alliance International Limited which held 12.5 percent worth of shares (Ekpott, 2001).

The range of the company's products included crown corks for beer and soft drinks, plastic buckets for paints and plastic buckets and basins for domestic use.

Asbestonit Limited, Oron

Asbestonit, Oron, was incorporated in March 1972 and commenced production in 1975. The ownership structure reflected that 70.00 percent of the shares was owned by the State Government while 30.00 percent belonged to Fulgurit Inc. The products of the company included asbestos cement pressure pipes, corrugated asbestos roofing sheets.

Akwa Palm Industries Limited, Eket

Akwa Palm was incorporated in 1988 with authorised share capital of 10 Million Naira and share of One Naira each. The company initially enjoyed fully paid share capital of 142 Million Naira. The ownership structure was as follows: Akwa Ibom State Government, 84.27 percent; Sofinco S.A. of Belgium, 3.4 percent and Nigerian Agricultural and Cooperative Bank, Kaduna 0.58 percent, while other investors had the remaining shares. The company's products were palm oil and palm kernel. The company eventually became one of the ailing industries in the state (Ansa, 2004).

Pamil Industries, Abak

Pamil Industries, Abak, was incorporated in 1972 and it commenced operation in 1977. The ownership structure shows that Akwa Ibom State Government owned 60 percent of the shares and John Holt Investment Limited owned 40 percent. In 1993, the state government bought out John Holt's shares. The Company had initial share capital of 10 Million Naira. Its products included crushing and extraction of palm kernel oil and pellets.

Akwa Ibom State Industrialisation Blueprint (1987-1999)

According to Ndebio (1991), the role of government in promoting industrial sector participation could be divided into broad categories, namely: primary and secondary roles. He identifies the primary role to include the provision of adequate physical infrastructural facilities such as feeder/access roads, water, electricity, communication, storage and marketing facilities in both urban and rural areas. He categorises the secondary role into policies, laws, incentives etc., to boost industrial participation, production and growth.

The main objective in its industrial developmental planning was to achieve rapid and accelerated pace of industrialisation which would guarantee a steady industrial growth and form the main prop of survival of the state's economy. In pursuit of its industrial development policies, the government promised to keep to the guidelines of the Federal Government policy on industrialisation. The main thrust of the policy was that the government plays only supportive catalytic and participatory roles by removing identifiable bottlenecks to industrialisation. The following policy guidelines were therefore formulated to be followed very closely in the implementation of industrial programme of the state (The March to Progress, 1991):

- (i) direct government participation in industrial ventures can take place only in some core industries with great potentials and financial viability;
- (ii) encouragement of the use of local raw materials and application of indigenous technology by industries;
- (iii) establishment of industrial layout and
- (iv) assisting promoters of small and medium scale industries in the state to identify viable industrial projects through offering them advisory services on sources of investment funds and subsidised feasibility studies.

Programme and Strategies

In line with the Federal Government policy guidelines and industrial philosophy of de-emphasising state ownership of industrial enterprise and to build up the private sector for optimum participation in industrialisation of the state, the Federal and State Governments established, between 1985 and 1991, the following programmes and strategies for achieving industrial policy enunciated above:

- (i) the Nigerian Economic Recovery Fund (NERFUND) – to provide loans with off-shore components to small and medium scale industries;
- (ii) the Nigerian Bank for Commerce and Industry (NBCI) - to provide loans to small and medium-scale industries;
- (iii) the Nigerian Industrial Development Bank (NIDB) – to provide loans for investment and to invest in industry,
- (iv) the Akwa Ibom Industrial Development Finance Company Limited to liaise with the Federal Government financial agencies to obtain loan facilities for on-lending to industrial entrepreneurs in the state;
- (v) the establishment of Akwa Ibom State Technical Committee on Privatisation and Commercialisation,
- (vi) the establishment of industrial layout at six locations in Akwa Ibom State with necessary incentives to industrialists who might want to establish small and medium scale industries in the state as shown in the table below:

Planned Industrial layout	No. of Plots	Hecterage
1. Uyo Industrial Layout Phase 1, Aka-Offot, Uyo L.G.A.	35	34.27
2. Uyo Phase II, Industrial Layout, Ekit Itam, Itu, L.G.A.	150	34.00
3. Abak Industrial Layout, Abak L.G.A.	29	73.46
4. Oron Industrial layout, Oron L.G.A.	51	96.60
5. Eket Industrial Layout, Eket L.G.A.	-	28.94
6. Ikot Ekpene Industrial Layout, Ikot Ekpene L.G.A.	-	72.66
7. Ikot Abasi Industrial Layout, Ikot Abasi L.G.A.	-	-

(vii) Establishment of Industrial Laboratory and Raw Material Display Centre. In addition to the Research Laboratory inherited from the former Cross River State Government, the Government constructed additional buildings to accommodate the Federal Raw Material Research Council and Display centre already established in the state. The laboratory was to research into available local raw materials which could be used in the development of industries in the state.

(viii) government commissioned final financial advisory studies on ailing industries with a view to privatising them;

(ix) government also spent 2.4 Million Naira to produce 29 bankable feasibility studies on small and medium scale industries, and

(x) Industrial Promotion Forum to create awareness and enlightenment for entrepreneurs on industrial development opportunities was being periodically organised for the private sector. The grassroots entrepreneurs were also reached by the Zonal Office which offers technical and managerial services to small and medium scale industrialists.

The government document known as *The March to Progress, 1987-1991*, also listed the following points as being the major achievements recorded by the State Government during the period:

- (i) Akwa Feeds Limited, producing livestock feeds to boost the livestock industry in the state;
- (ii) institutionalisation of the Privatisation and Commercialisation Edict as well as the inauguration of the Akwa Ibom Technical Committee on Privatisation and Commercialisation;
- (iii) Champion Breweries Limited, Uyo was reactivated at the cost of 20 Million Naira with the State Government providing 11.7 Million Naira,
- (iv) physical planning and design of Uyo Phase II layout completed;
- (v) work on engineering design for water and electricity distribution lines started and completed at Uyo (Phase I), Abak and Oron industrial estates. Designs for the remaining estates are in progress;
- (vi) completion of construction of Raw Material Display Centre building;
- (vii) Purchase of equipment for the Raw materials Display Centre, and
- (viii) an arrangement was made for the take-off of four out of the 26 projects designed by the State Government under the “Work for Yourself” programme of the Federal Government.

A government statement issued in September 1991 by the Commissioner for Industries and Cooperatives, Prof. Joe Umo, came with a strong commitment to industrialisation. Part of the statement had it that:

A greater attention of the present administration has been directed towards achieving rapid and accelerated pace of industrial development and guaranteeing steady industrial growth which would form the main prop of the state’s economy. To achieve this policy objective, the present Ministry of Industries and Co-operatives has been structured into four departments to perform specific and varied functions...these are the Department of Industrial Research and Development; Department of Small and Medium Scale Industries; Department of Co-operative Services and the Department of Personnel and Finance (*Footprints*, 1991: 51).

The source also stated the achievements made by the Government during the first one year by the Department of Industrial Research and Development, aimed at giving a face-lift in industrial development to the state as follows:

- (i) purchase of equipment for Raw Materials Display Centre at Uyo;
- (ii) completion of of limestone investigation in Ikono;
- (iii) successful hosting of Executive Workshop for members of Boards of Directors and Committee of government-owned companies and parastatals;
- (iv) award of contracts for financial and advisory studies towards the reactivation of Sunshine Batteries, Asbestonit Limited, Qua Steel Products Limited and Plasto Crown Limited to Cardinal Securities Limited, Continental Merchant Bank Nigeria Limited, Century Merchant Bank Limited and Pacific Bank Limited, respectively.

The achievements of the Department of Small and Medium Scale Industries were recorded as follows:

- (i) to enable Government continue to aid the private sector entrepreneurial effort in developing the state industrially, 19 feasibility studies have been completed on fish processing, printing ink, edible oil China-ware, exercise books, molded rubber products, pharmaceutical plant, parboiling and rice mill, maize (millet or sorghum), flour mill, rattan/cane furniture, gum and industrial adhesive, fishing net, fruits/vegetables processing, cosmetics, lubricants manufacturing, manioc chips/pellets, manioc, soya beans livestock feeds, industrial starch and engineering and machine works;
- (ii) also commissioned for feasibility studies were 10 projects in lead pencil, ice block, school chalk, export free zone product/services (pre-feasibility study), surgical cotton and bandages, polythene bags, down-stream aluminum products (pre-feasibility study), tyre retreading, car filter and ethyle alcohol;
- (iii) the publication of *Akwa Ibom State Industrial Directory* and *Akwa Ibom State Investors’ Guide and*
- (iv) a successful hosting of a industrial promotion forum by Ministry of Industries and Co-operatives and guaranteed 4.5 Million naira loan for 28 small and medium scale projects under the EDP/WFYP.

Information gleaned from another government publication entitled *The Mirror*, explains the government orientation of the sector thus:

The industrial policy of the State Government is based on playing a catalytic and supportive role where government provided initiative and facilities while the private sector is expected to take over the main thrust of the industrial and economic development of the state...in this regard, government is currently engaging in the reactivation of ailing industries with a view to making them viable and thereby strengthening the economic and industrial base of the state (*The Mirror*, 1992: 40).

Apart from the Akwa Ibom Industrial Development Finance Company Limited, the government also incorporated other limited liability companies namely: Akwa Ibom Rice Industries Limited and Akwa Feeds Limited. The government commissioned 21 bankable feasibility studies on industrial projects, which availability of local raw materials justify, so that such studies could be turned over to interested private entrepreneurs that were genuinely willing to contribute to the economic development of the state (*The Mirror*, 1992).

The publication also stated that in addition, the government has put together a package of incentives to attract genuine investors to the state. Some of the measures included the provision of water, electricity and telephone services, a measure to remove the tedious and cumbersome nature of plot allocation, building of factory houses for rental by investors and government guarantee of loans to banks for investors to establish new or reactivate old industries (*The Mirror*, 1992).

In 1997, during the Navy Captain Adeusi, the Commissioner for Industry, Commerce and Tourism, Mr. Eno Udo Ekong, in a publication entitled *A New Vision*, stated that attention of that administration was still focused on resuscitation of some ailing industries, and, particularly, the administration targeted three industries for immediate reactivation. According to him, the state government was almost completing negotiations with West African Battery, an Ibadan-based company and manufacturer of the Exide battery for technical partnership and assistance since the original technical partners had been liquidated. He added that key management staff had been recalled to start work in close collaboration with the technical partners and financial advisers, for ultimate reactivation of the factory (*New Vision*, 1997).

An analysis of budgetary allocation to the industrial sub-sector between 1987 and 1999 by Ekpott (2001) shows that in 1998, the subsector had a boost with increased budgetary allocation. Also, the government established the State Development Trust Fund which was meant to cater for micro credit facilities for small and medium scale investors.

INDUSTRIALISATION IN AKWA IBOM STATE 1999-2017

On assumption of office as the second civilian Governor of Akwa Ibom State on the 29th of May 1999, Arc. (Obong) Victor Attah pledged to do the following in the area of industrialisation:

- (i) revive all ailing industries where it makes economic sense to do so;
- (ii) exploring the feasibility of partnership with managing technical partners at home and abroad;
- (iii) considering the feasibility of utilising linkages which might finance spread from another or the product of one might serve as raw materials from another;
- (iv) establishing industrial parks for citing industries in clusters for economy of space and enhancement of adequate provision of infrastructure.

The Governor emphasised that the government would be guided by the policy which emphasises the creation of appropriate enabling environment through the provision of infrastructural facilities in order to attract private sector participation in industrial development. He also stressed that emphasis would be placed on private sector led industrialisation programmes, which would include development of cottage and medium-scale enterprises as well as large scale industries (Ekpott, 2001).

The Attah administration also established Akwa Ibom Industrial and Investment Council (AKIPOC) with a mission statement on industrial promotion, investment advisors, facilitation, project management, privatisation and business re-engineering and human capital development. Arc. (Obong) also noted that the state is endowed with enormous human and natural resources which if properly harnessed would expand the frontiers of the commerce and tourism in no small measure and contribute

to the economic advancement of the state. The Governor embarked on an economic tour of the United States of America to source for technical and financial partners for the reactivation of the ailing industries and industrial revolution in the state (The Unfolding Scenario, 1999).

In order to stimulate industrial development in the state, certain programmes were outlined by the government. These included the establishment of the first set of industrial estate in Uyo, Ikot Abasi and Essien Udim. For this purpose, the sum of 100 Million Naira was provided. The Government also established the state industrial fund in order to mobilise resources to support the private sector initiatives. The government also established the poverty alleviation agency, which, in collaboration with the UNDP and other related agencies, offered soft loans to entrepreneurs to promote entrepreneurship development and create jobs (Ekpott, 2001).

The administration also secured a core investor for Champion Breweries, which succeeded in managing the company and made it resume production with a capacity that has provided employment for hundreds of people (Udoeyop, 2006).

Following the Governor's economic tour, the administration identified investors from the United States of America, Scotland and Canada, who were interested in the establishment of private export-oriented refinery, a gas turbine plant and a power distribution company. One of the actions of the administration was the granting of a 30 Million Naira soft loan to Plasto-Crown Nigeria Limited, Uyo to facilitate its reactivation, taking into cognisance its attendant socio-economic benefits to the state. The life line enabled the company to serve as a feeder station that produced domestic plastic buckets and basins, crown corks, 20 litres pilfer proof paint, buckets, battery cases, plastic crates and plastic refuse bins (The Unfolding Scenario, 1999).

Also, government concluded arrangements to establish roofing zinc, pharmaceutical and starch production plant in the state. Attah administration invested in a refinery project (Ibom Petrochemical and Refining Company), as an adjunct component of the Ibom Power Plant. Given the prospect of Akwa Ibom as an oil producing state (by virtue of Federal Government Allocation) of marginal fields for exploration, it was envisaged that the state would soon enjoy an industrial boom. Products expected from the refinery included Premium Motor Spirit (PMS) or Petrol, Automotive Gas Oil (AGO) or Diesel, Low Pour Fuel (LPFO) or Industrial Fuel and High Fuel Oil (HPFO) or Industrial Fuel, Naphta (Aviation Turbine kerosene) DPK (Household Kerosene) and Bitumen. A consortium of banks had also agreed to finance the projects. The refinery and petrochemical plant were proposed to help realise the export potentials of the people, diversify sources of revenue and spawn new industries (Uko-Afia, 2006).

According to Udoeyop (2006), the state government had signed an agreement with SINOPEACH, a Chinese firm for the establishment of the refinery, and proposed for siting it at Ikot Abasi. Under the arrangement, the export –oriented refinery was expected to refine between 100,000 to 120,000 barrels of oil daily and was estimated at 1.5 Million Dollars to be financed by a consortium of banks as mentioned above.

Akwa Ibom State under Obong Attah also partnered with private investors to establish another refinery at Eket (Amakpe Refinery). The State Government was expected invest 10 million Naira in the project put together by some Akwa Ibom State indigenes resident in the United States of America. The refinery was designed to be a modular plant with the capacity to refine 12,000 barrels per day of crude oil (Udoeyop, 2006).

According to Udoeyop (2006), during the administration of Obong Attah, plans were made by some indigenes investors to partner with Aqua Solar Components of Barbados to establish a water heater manufacturing plant that will manufacture solar water heaters For this purpose, a company, Akwasol Nigeria Limited, was incorporated. According to him, in November 2004, the Akwa Ibom State Government, through its incorporated Oil and Gas Company, Akwa Petroleum and Energy Limited (APEL), acquired Stubbs Creek marginal oil and gas fields after successful bidding. He adds that payment of signature bonus and signing of farm-in agreement was made. Under the arrangement, Akwa Ibom State had 49 percent in Ibom Poultry and Piggery Company, while 51 percent shares in the project

was held by Southern Investment of Swaziland. The integrated project was supposed to involve poultry processing, broilers raising and layers hatching. The joint partnership was envisaged to process 20,000 birds daily and 6,000 pigs monthly. The project was estimated to cost 36 million Naira.

As noted earlier, one of the ways that government promotes industrialisation is through role. This involves the provision of basic infrastructural facilities. Under Obon Attah regime, the State Independent Power Project known as Ibom Power Plant (IPP) was one of the visionary projects conceived as a panacea to the problem of inadequate supply of electricity to the state from the national grid, and a catalyst for industrial transformation. The IPP, located at the Ikot Abasi Free Trade Zone, was envisaged to generate 685 mega watts of electricity.

The Akpabio administration promised to site at least one industry in each of the 31 Local Government Areas of the state. However, not one industry was established during the eight years of that administration. Moreover, none of the ailing industries in the state was reactivated during the period. However, roads were built, and the airport project started during the Attah administration completed by that administration. It also appears that some policies that could guide industrialisation of the state were made.

The current administration of Mr. Udom Emmanuel, continuously flaunts the industrial agenda. So far, the Peacock Paint at Etinan has been reactivated though it is producing quite below the installed capacity. However, it has started skeletal production. The Government has also partnered with investors to open a tooth pick factory at Ekom Iman. There are plans to open coconut related industry, a metre producing industry and a syringe manufacturing industry etc. Moreover, the Ibaka Deep Sea project has been proposed and the construction of critical infrastructure, such as access road to the area has commenced. It is hoped that the proposed projects would be completed to create employment opportunities for the unemployed youths in the state and beyond.

THE ROLE OF INDUSTRIALISATION IN DEVELOPMENT

Umoh (2000) has noted the following as being the role of industrialisation in any community:

(i) recognising the low state of industrial development in the state, government continually sets out targets and programmes to remedy the situation. By the time these targets are achieved, the state shall benefit from her industrial development as follows:

(ii) increase in the contribution of the manufacturing sector to the region's GDP;

(iii) increase in the standard of living of the people and an improvement in the economic viability of the state;

(iv) achievement of rapid expansion, modernisation and diversification of the economy;

(v) creation of more employment opportunities to absorb an increasing proportion of the working population in modern type of manufacturing activities; expansion of the revenue base of government; and

(vi) rural development in terms of provision of water, electricity and health facilities as well as the improvement of educational facilities.

The Role of the Private Sector in Industrial Development

As noted earlier, the economy of Akwa Ibom State consists of two sectors, namely: public and private sector. The private sector is associated with activities that are not altogether public. Omolaloye, cited in Ndebio (1991), refers to the private sector as:

That sector which constitutes those small and large businesses, forms what is known as corporate and non-corporate sector, produces goods-raw materials and finished-which we consume, involves in distributive trade, gives different types of services to ensure the well-being of society, etc., (Ndebio, 1991: 312).

Going by this understanding, one can state that the private sector of the state economy has multitude of small and a very few large scale-scale industries. Iwok (1994) noted that private sector initiatives have greatly supplemented the industrial development effort of the government. They operate in areas such

as: tailoring, bakery, electrical works, blacksmithing, carpentry and furniture, printing, oil milling, pottery, carving/raffia works, weaving, leather/shoe works, tinkers (Ndebio, 1991).

According to Iwok (1994), at the creation of Akwa Ibom State, the following privately owned industries were very prominent in the area: Dr. Pepper Bottling Company, Eket; Ukot Bottling Company, Ikot Ekpene; producers of raffia palm wine; Uso Metal Construction Works, Ikot Ekpene; Slawd Peters Engineering Works, Etinan and Murval Company Limited. Others included: Asutan Ekpe Paper Converting Company and Ekeng's Paper Industry-producers of high quality toilet paper; Hero Technical Workshop at Abak – manufacturer of garri grating mill, maize grinder and children's tricycle; Major Welding Works – manufacturers of hospital equipment; Emeti Enterprises Nigeria Limited which produces duplicators; A-Z Company, Abak – manufacturer of school chalk; and the Integrated Marble Industry (Nigeria) Limited, Oron, which produces royal marble products such as marble wash-hand basins, bath tubs, water closets, wall and floor tiles. In the last few years, some additional small and medium scale companies have been established in the state, but the impact in terms of provision of employment opportunities had not been deeply felt.

Industrial Development Strategy for Akwa Ibom State

According to Ndebio (1991) and Umoh (2000), human and natural resources of the state must be harnessed to produce sufficient, quality and essential goods and services needed by the people;

(ii) to foster industrial growth, the sectoral programmes must be geared towards encouraging, protecting and inducing foreign capital into the state;

(iii) encouragement of the private sector financially and otherwise to establish and run small and medium scale industrial enterprises. This means that government should strengthen the policy of a dynamic, revolving, small/medium scale loan;

(iv) industries must be located in terms of proximity to the source of raw materials, while factors such as roads and power are provided. This requires a policy by the government to encourage most medium and large scale enterprises to develop a culture for research primarily into local raw materials uses. This is imperative as industrialisation based on local raw material sourcing is most ideal since it can foster self-reliant development;

(v) the government should encourage entrepreneurs across the state to move to the industrial estates established in some Local Government Areas;

(vi) public owned industries must be fully commercialized. Their management must be rewarded for excellence in meeting profit targets and penalised for running at a loss;

(vii) attention should be focused on industries that could thrive on agricultural products (particularly palm produce) as well as the oil and gas sector; and

(viii) international best practices should be adopted in the funding and partnership of industries.

CONCLUSION

Industrialisation is imperative to the development of any society. The idea of industrialisation did not begin in Akwa Ibom State in 1987 when the state was created; rather, at its creation, the state inherited about 10 industrial establishments from the old Cross River State. However, most of the industries were ailing, the few that were functioning later became epileptic or completely paralysed. Some of the envisaged challenges included lack of crucial imported raw materials, inadequate infrastructure, huge debt owed its foreign technical partners, corrupt practices by the management, inability to generate enough foreign exchange to acquire spare parts, etc.

Successive administrations in the state have made several efforts to reposition the industrial sector through the reactivation of the ailing industries, privatisation and commercialisation of some of the industries and related policies and programmes. Indeed, a study of the industrial journey of the state shows insecurity, lack of commitment and consistency by government. It is discovered that some of the well-thought out programmes and projects such as the raw material display centre, feasibility studies and research undertaken by either a particular regime or a Commissioner in the Ministry of Industry is often discarded by the subsequent administration. This creates serious inconsistency in planning. Moreover, a careful perusal of the existing documents on the sector shows claims to a project or programme initiated by an out gone administration.

The pace of industrialisation was dull between 1987 to 1999, when Nigeria witnessed a return to democratic governance. The Attah administration had a clear vision of the industrial direction for the state. However, his predecessor did not do much to actualise the ideas. The current administration in the state has reinvigorated the industrial plan, even though with some noticeable lapses. However, it is hoped that the agenda will be undertaken in line with international best practices where the government is no more directly involved in the management of industries. Moreover, medium and long term programmes should be enunciated to guide this sector such that the individual managers should not interfere in the programme. Above all, it would become more productive if the present government could revert to the original industrialisation blue print earlier designed by previous administrations

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