

THE IMPACT OF HUMAN CAPITAL DEVELOPMENT AND ECONOMIC EMPOWERMENT ON THE SOCIO-ECONOMIC DEVELOPMENT OF AKWA IBOM STATE, NIGERIA

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ABSTRACT: *Human capital development is an indispensable component of the development process. It is a development strategy aimed at fulfilling the potentials of people by enlarging their capabilities which necessarily implies the empowerment of the people, and enabling them to participate actively in their own development. It also serve a means through which the skills, knowledge, productivity and inventiveness of people are enhanced. This study therefore, examined the impact of human capital development and economic empowerment in the socio-economic development in Akwa Ibom State. The study adopted a historical and descriptive approach in data collection. The study therefore revealed that from 1999 to 2012, the government being the foremost driver of the economy has made a positive impact on the training and retraining of workers in the public sector. This has made the public sector more vibrant, efficient and result-oriented. The study also revealed that aside from training, the government also embarked on elaborate empowerment programme which has helped so many to become self-employed as well as employer of labour. The study further revealed that government failed to give priority need in their training programme to the critical areas in the state namely oil and gas for effective participation of this sector by the Akwa Ibomites. On the strength of this, the study recommended among others that government should embark on extensive training of domestic engineers in the areas of oil and gas in the state. Also government should encourage individuals and private sector to increase investment in human capital and economic empowerment in the state.*

KEYWORDS: Human Capital Development, Economic Empowerment, Socio-Economic Development, Akwa Ibom State, Nigeria

INTRODUCTION

Human capital development is one of the most important requirements, to ensure the sustenance and improvement of an economy, whether at micro or macro levels. Human

resources or capital development is a continuum, a continuing process from childhood to old age, and a must for any society or enterprise that wishes to survive under the complex challenges of a dynamic world. For the individual it should be a life-long process, because of the continuously changing environment to which one must also continuously adapt. Such development enables the persons involved to move vertically or laterally in the economic and social environment.

The individual personal development enables him or her to rise from the low depth of complete illiteracy through primary education, then secondary, and to tertiary level, and in the process, acquire more learning and the intellectual capacity to adapt to or understand more complex situations. Suffice to say that human capital development implies much more than promoting intellectual ability through the formal education system. From low general manual dexterity, the individual can develop through acquiring craft skills, and upwards to being a technician, then a professional. From the shop floor a worker can rise with requisite training, experiences and orientation, to be a charge man, then a supervisor, and further upwards to the management level.

Human capital development also facilitates lateral movement and redeployment of a country's labour force. Through relevant training and associated experience, an accountant in the private sector can be redeploying to a public sector equally as an accountant or as director of finance with higher responsibilities. A computer operator retiring from the civil service may wish to go into rural farming, but he would be most productive thereat normally with requisite pre-training and adaptation. This therefore implies that, no one is expected to be so adequately prepared in terms of knowledge, skill, and experience at the entry point of a job, to enable him be continuously effective for ever either at the higher levels of that job, or for efficiency and success on other jobs. In the same vein, for a national or state economy, no country or state can be adequate both in quantity and quality-wise, in the skills and expertise that will sustain the economy efficiency and indefinitely, or to cope with the exponential growing consequences of new technology, service demands, population growth and national security. In order to survive in this modern world such a nation must devote a high proportion of its resources to developing its human resources in terms of number, quality and mix for the optimum overall economic and social development (Yesufu, 2000).

Conceptualizing Human Capital development and Economic Empowerment

The role of human capital development cannot be emphasized. The development of human capital has been recognised by development economists to be an important prerequisite and an invaluable asset for a country's socio-economic development. This can only be achieved through increases knowledge, skills and capabilities acquired through education and training by all the people in the country. The concept of human capital refers to the abilities and skills of the human resources of a country, while human capital formation refers to the process of acquiring and increasing the number of persons who have the skills, education and experience that are crucial for the economic growth and political development of a country (NES, 2002).

Yesufu (2000) is of the views that the essence of human resources development becomes one of ensuring that the workforce is continuously adapted for, and upgraded to meet, the new challenge of its total environment. This is because the economy is a dynamic entity, which is constantly changing in response to various stimuli such as introduction and discoveries of new products or techniques of production. Therefore, those already on the job require retraining, reorientation or adaptation to meet the new challenges. This special human capacity can be

acquired and developed in different ways, namely; education, training, health promotion as well as investment in all social services that influence man's productive capacities, including telecommunications, transport and housing. He concluded that, education and training are generally indicated as the most important direct means of upgrading the human intellect and skills for productive employment.

In recognition of the importance of human capital development, the United Nations Economic Commission for Africa (1991) has described human resources as the knowledge, skills, attitudes, physical and managerial effort required to manipulate capital, technology, land and material to produce goods and services for human consumption. In the same vein, Mahroum (2007) suggested that at the macro-level, human capital management is about three key capacities namely; the capacity to develop talent, the capacity to deploy talent, and the capacity to draw talent from elsewhere. Collectively, these three capacities formed the backbone of any country's human capital competitiveness. In a collaborative view, Simkovic (2013) sees human capital as the most important element of success in business today. So developing human capital requires creating and cultivating environment in which human beings can rapidly learn and apply new ideas, competencies, skills, behaviours and attitudes. It could therefore, be deduced that human capital represents the stock of competencies, knowledge, habits, social and personality attributes, including creativity, cognitive abilities, embodied in the ability to perform labour so as to produce economic value.

On the other hand, the term empowerment is derived from the word power. Thus to empower means to give power to, to give authority to, to enable a person or group of persons gain power, to uplift their lives, especially their socio-economic lives. Economic empowerment therefore entails programs aim directly at raising people's incomes, such as education, agriculture – focused interventions (training, improved irrigation for farmers), micro-finance, support for small and medium enterprise, and distribution of goods and services with the ultimate goal of developing people potentials not only to contribute and benefit from socio-economic development and structural change but also on improving the potential for the mass of the population through education and workplaces conditions, whether through public and/or private channels.

Human Capital Development and Economic Empowerment in Akwa Ibom State

Akwa Ibom is one of Nigeria's 36 States with a population of over 5 million people. It was created on September, 1987 from the former Cross River State. It is located in the coastal South-Southern part of the country, lying between latitudes 4°32'N and 5°33'N North, and longitudes 7°25' E and 8°25' E East. The State is bordered on the East by Cross River State, on the West by River State and Abia State, and on the South by the Atlantic Ocean and the southernmost tip of Cross River State. The state capital is Uyo, and currently is the highest oil and gas producing State in the country with most of the oil fields located offshore Ibeno (Ibok and Ekpe, 2014; Ibok and Ekan, 2013).

Akwa Ibom State is predominantly civil service state with the government being the major engine of growth. The people are mainly farmers and fishermen in the riverine areas. To enhance socio-economic development of the state, the government in the past few years has made attempts to diversify the state economy along the lines of mechanized agriculture, tourism and IT. This is typified by the Ibom Rice, IT Parks initiatives, and the 5-Star Ibom Meridien Hotel and Resort and World Class Golf course. This cannot be achieved without investment in human capital. Akwa Ibom State government recognises that investment in

human capital entails equipping people through education and training not only for employment but also to enable them perceive new opportunities, and initiate and organise innovative programmes. So investment in human capital in the state has created a broad, technological trained human capital base well suited for rapid economic development and efficient management.

Investment in human resources has helped to develop Akwa Ibom State in all ramifications, and the state's development in return develops human resources. The following represents government efforts in developing human capital in the state as the foremost driver of the economy from 1999 to 2012.

Table 1: Human capital development in the public sector

S/N	Human Capital /Capital Training	No. of staff
1	Administrative Staff College of Nigeria (ASCON)	11
2	Centre for Management Development (CMD)	70
3	Overseas	4
4	Directors trained by the t Head of Service of the Federation	7
5	London – Directors and permanent secretaries on various courses	30
6	ASCON (Post-graduate diploma in public administration)	2
7	Specialist training for medical doctors	6
8	The Ministry of justice retrained lawyers in the following areas: i. Oil and gas law ii. Legal and legislative drafting iii. Environmental law iv. Information technology law v. e-commerce law and law governing vi. Government transaction on the internet	*
9	Seminar for pension	250
10	Training of different levels of officers at ASCON and CMD	112
11	Consultancy training for radiology and clinical pathology	*
12	Training of medical doctor at RIPA in London	1
13	Training of officer from the Ministry of Agriculture in Israel on Agriculture production and management	1
14	Training of various workers at the civil services training centre, Ibiono	1,500
15	Training of all categories of healthcare workers; nurses, pharmacists, doctors and staff in the records department.	*

* Data not certain

Source: Akwa Ibom Project, 2005; Ibom Diary 2012

Government Empowerment Programme

To ensure effective, empowerment programme for socio-economic development of the state, the government instituted the Strategic Economic Empowerment Fund (SEEF), managed by Akwa Ibom Investment and Industrial Promotion Council (AKIIPOC), which aim was to build capacity, improved individuals economic wellbeing through a consciously effort to initiate,

develop and build a culture of entrepreneurship in our people through financial/technical assistance in the development of viable private sector led Small Medium Enterprises (SMEs).

Table 2: Government Empowerment Programme

S/N	Project	Beneficiaries	Location
1	Equipment support programme dress making, hair dressing, barbing, soap making, carpentry and welding Sewing machines Oil palm/cassava processing mills Shoe making (for disabled persons) 7.5 KVA Generating sets 3.5 KVA generating sets Embroidery machines Trend routers equipment	5,766 806 62 11 22 11 26 31	31 LGAs 31 LGAs 31 LGAs 11 LGAs 22 LGAs 11 LGAs 31 LGAs 31 LGAs
2	Agric, input distribution: Purchase of improved cassava cuttings, fertilizer and agro-chemicals b. Fishing equipment distribution	155 co-operatives groups College of Agriculture, Obio Akpa (Now akwa Ibom State University, Obio Akpa Campus/College of Education, Afaha Nsit 26 fishing groups in the riverine areas	31 LGAs Fishing areas of the state

3	Skill development training for unemployed graduates and non-graduate e.g. computer training, textile technology, interior decoration, business management etc.	1,046	31 LGAs
4	Loans to skill development: graduate training	61	31 LGAs
5	Equipment support to skill development for graduates	51	31 LGAs
6	Cooperative Micro-credit Scheme	158 cooperative societies	31 LGAs
7	Akpan Andem Market micro-credit scheme	269 traders	Akpan Andem market
8	Agricultural loan scheme	163 farmers	31 LGAs
9	Small-scale industrialist Scheme	510 people	31 LGAs
10	Akwa Ibom Traders Association Scheme (AKITA)	566 traders	31 LGAs
11	Supply of motorcycles to Agric. Extension Workers	280	
12	Provision of Water pumps under the Fadama scheme	74	
13	Fertilizer procurement to farmers at subsidies rate of farmers	8,315 metric tonnes	

Source: Akwa Ibom Project, 2005; Ibom Diary 2012

The facts and figures presented above show that the government has invested heavily for the benefit of the people in capacity development as well as empowerment programme. In the whole between 1999 and 2012 government has re-trained 2,438 lower/middle level workers in the state, while 2,322 officers benefited from various training programmes within and outside the country. The impact of government efforts in human capacity development in the state is glaring as this training has helped to reinvigorate our public sector for effective and efficient performance. Also, the various empowerment programmes embarked upon by the government has helped the beneficiaries to use their creative energies for productive endeavours. Akwa Ibom public service is now vibrant with staff with requisite knowledge which is necessary for effective service delivery. Put differently, our public service is service oriented. The various training coupled with the empowerment benefits has acted as a spring board for poverty alleviation and entrepreneurship development in the State.

The programme has also opened employment opportunities as people no longer depend on government for employment creation. The people of the State used the skills acquired to promote entrepreneurship by becoming self-employed while some are now employers of labour in various fields. This has unburdened the government who now uses the available resources for creating a conducive environment for socio-economic growth. The state has equally witnessed less youth restiveness as majority of unemployed youth are now occupied.

Akwa Ibom State efforts in developing human capital for socio-economic development in the state, is in line with the universally acclaimed fact that investment in human capital through education has substantially increased productivity and economic development. Example is the East Asian miracle. In that economy, rapid growth was facilitated by the availability of highly skilled domestic engineers and workers. In Japan, also productivity growth was as a result of huge investment in human capital through on-the-job training from where workers acquired specific skills that led to rapid growth etc. No wonder Akwa Ibom State government towed the

line of these and other quintessence example of rapid socio-economic growth. The State had indeed become a reference point in socio-economic growth among other states in the country (World Bank, 1990, Odusola, 1998, and Okojie, 1995).

However, notwithstanding that Akwa Ibom State is blessed with abundance natural resources such as oil and gas which make the state stand tall as the largest producer of oil and gas in the country, it is sad to observe that, the state is yet to develop sufficient man-power toward this sector. There are a lot of opportunities in this area, which is predominantly expatriates and non-indigenes from other states of the federation. This contumelious situation is as a result of mismatch in human capital investment where the skills acquired is incongruence with the existing opportunities in oil and gas sector. This therefore implies that government should give more priorities in training domestic engineers in the areas of petrochemical and gas production to close the wide existing gap in the state. Also, women should be trained in most critical areas which were exclusively for men, so that they can also compete effectively with their male counterpart. Notwithstanding the observed gap in human investment, the beehives of socio-economic activities in the state show government commitment to human capital investment and economic empowerment in the State.

CONCLUSION

Human capital development is an indispensable component of the development process. It includes better education at all levels, generous on-the-job training and appropriation of new technologies and ideas. Acquiring better knowledge and skills through education and training benefits both individuals and the economy as a whole. Individuals benefit in the form of higher earnings and enhanced employment, while the economy benefits in the form of higher productivity which ultimately enhances socio-economic development. So for Akwa Ibom State to be adequate in the quantity and quality of skills and expertise required to enhance economic growth, or to cope with the exponentially growing consequences of new technology and changing consumer services, demand a more trained and sophisticated population. This can only be achieved where the right kind of education and training is given to the human resources of the state, and should be fully utilised in order to increase the production capacity of the economy for socio-economic growth.

RECOMMENDATIONS

1. That Government should be committed to the training of domestic engineers to meet the critical needs of oil and gas in the state.
2. That government should encourage individual, private sector and non-governmental organisation to increase investment in human capital and economic empowerment to compliment government effort in the State.
3. That government should increase its spending on socio-economic infrastructure to enhance efficiency of labour and increase productivity.
4. That government should restructured its educational system to meet the needs of the changing society to cope with the challenges of the 21st century.
5. That the government should increase investment in the human capital of women alongside their male counterpart to ensure rapid and even growth.
6. That government should ensure a stable polity which is a panacea for effective human capital development and socio-economic growth.

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