**APPRAISAL OF THE ROLE OF INFORMAL ECONOMIC ENTERPRISES IN MINNA, NIGERIA**

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The term ‘informal economic entreprises’ was foremost invented by the British anthropologist Hart in a research conducted in Accra, Ghana, where he observe that several people engaged in activities that are not clearly defined by the literature. Literature on the informal economic entreprises and institutional governance were studied to elaborate on concepts, characteristics, arguments and explanations as it related to good governance. Policy responses on the informal economy enterprises in Nigeria and other nations of the world were reviewed. Six government institutions relating to direct relationship with informal economic enterprises were studied. The study aimed at appraising the government institutional practices on development of informal economic enterprises in Minna; with the following objectives: general spatial and structural characteristics of informal economic enterprises and the financial status of the informal economic enterprises. A uniform number of informal economic enterprises were selected for the studies from the 12 neighbourhoods totaling 1,200 because of lack of accurate number of entrepreneurs from three main sub-sectors of informal economic enterprises. Random sampling technique was employed to administer the questionnaire to the respondents. This sample was used to gain insight into the characteristics of enterprises, and their opinions and perceptions on the practices of these selected government institutions. The study revealed that retailing was the predominant activity in the study area. It was also found that a higher percentage of operators were utilizing public space without formal authorization. The proliferation of these economic activities in public space also did not promote environmental aesthetics.

**Keywords:** Informal Economic Entreprises, location, sub-sectors, relationship, and development

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**INTRODUCTION**

The term ‘informal economic enterprises’ was foremost invented by the British anthropologist Hart (1973) in a research conducted in Accra, Ghana, where he observe that several people engaged in activities that are not clearly defined by the literature. The term achieved extensive acceptance at the beginning of 1970s, because the International Labour Office (ILO, 2002) agreed to it as the best language needed to explain Informal Economic Enterprises in a city research put together by the World Employment Programme. It was unanimously agreed by ILO that the organized sector of the economy consists of itemized; large scale, huge capital overlay enterprises. One man enterprises that largely offer a means of livelihood to people and new comers to the towns and cities is known as informal entreprises. Informal economic enterprises in urban setting include all activities that are not governmental. Further to this; urban informal economic activities offer merchandise and services to urban dwellers at moderately lower charges.

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| Research carried out in third world countries by Sethuraman (1981) indicated that Informal Economic Enterprises employs between 20%-70% of work force in urban areas. The analysis of Nigerian Informal Economic Enterprises shows that it provides higher propensity of employment than formal sector (Ijaya *et al.,* 2004; Rukuma, 2007). Analysis of the Nigerian situation also revealed that several factors accounts for this and one of the reason is the inability of the organized economic enterprises to adequately provide jobs and wages to the populace (UN-Habitat, 2003). Onyechere (2003; 2011) further supported the assertion that the percentage of urban Informal Economic Enterprises employment is higher.  On the other hand, Governance is a tradition and institutions that have the authority to control activities within a country, state or localities as the case might be. Good urban governance on the other hand, shows different ways in which power and authority relations are structured in a given society. It has the following characteristics as a measure accountability and voice; effectiveness of governance;; rule of law; political stability; anti-corruption crusade and quality regulation(Azende, 2011a; 2011b).. This implies that good urban governance indicators show diverse methods that authority and influence are related for the smooth governance of a structured given society to encourage well-being and socio-economic development of towns and cities. Good urban governance is meant to bring about successful social and economic transition for future development. It should involve creative interventions by institutions (national, state and local) -governance to change structures that inhibit the full expression of informal economic activities and other stakeholder’s potential within the city (Adeyinka *et al.,* 2006; Azende, 2011c).  The Nigerian informal economic enterprises sector of the labour market is the prevalent (Meagher and Yunusa, 1996; Kpelai, 2009). Informal economic enterprises play an important role and involving large percentage of urban dwellers and better contributor to urban economy. The Informal Economic Enterprises supply between 70% and 80% of the total employment opportunities that is available citizens of a country, state or city as the case might be and over 55% of national GDP is contributed by the informal economy in Nigeria (FGN, 2006). Knowing the immense economic offerings that the informal economic enterprises offer to the economy of urban area, the governance institutions at state and local government levels must be acquainted with its significance and to implement existing guidelines to encourage its development and employment of the citizens to reduce unemployment (Mambula, 2002).  Urban governance tends to refer to both the formal and casual political procedures that establishes and sway the happening in a town or city. Good urban governance operates by building town and cities to be more well-organized, impartial, perfect, safer and sustainable. Methods employed in good urban governance shows that it is centered on efficient, effective, transparent and accountable techniques that can therefore influence the cities to be more inclusive (World Bank, 2015). This study therefore, aimed at appraising the role of informal economic enterprises in Minna, Nigeria.  **Study Area**  Minna as a city is positioned on latitude 9037’ North and 9051’and longitude 6033’ and 6048’East. The northeast section of the city is characterized by a rock outcrop that in the past acts as physical constraint to development (Maxlock, 1980). However the occurrence of urban development has led to the infringement on the subterranean vault of the valley for urban expansion. Minna as a city continue to develop from a meager rural settlement to a metropolitan city which at the present performs a two function activities of being the Niger State capital and Chanchaga Local government headquarters. Because of growth of the city Minna have at the present annexed fraction of Bosso Local Government. Presently, parts of Bosso Local Government Areas and entire Chanchaga Local Government form the actual boundary of Minna metropolis when taken together Minna city. Maikunkele, the Bosso Local Government headquarters is at the extreme northeastern part of the city. Figure 1 show the location Minna within the context of Niger State. |
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**Urban Governance in Minna**

The process of urban governance in Minna involves the following, the governed and the government at all levels. The process involves collaborations of different stakeholders in the management and administration of the city. The stakeholders in the administration of Minna metropolis include the Community Based Organizations (CBOs), the Non-Governmental Organizations (NGOs), Trade Associations, government agencies and donor agencies. For any urban governance strategies to work effectively in Minna, informal economic enterprise development requires effective urban governance strategies and practices.

**(a) Bosso and Chanchaga Local Government Councils**

The fourth schedule of the constitution of the Federal Republic of Nigeria, stipulates the functions of local governments. The aspects which clearly show the areas that affect informal economic activities are stated thus:

i. The deliberation and creating of suggestions to the State Commission on Economic Planning or several comparable bodies on the economic development of the state, predominantly in so far as the areas of authority of the council and of the state are influenced.

ii. The local Governments also manage and control out-door advertising and placement of bill board, shops and kiosks within their jurisdiction, restaurants, bakeries and other places for sale of food to the public, laundries, and licensing, regulation, and control of the sale of liquor. (Federal Republic of Nigeria Constitution 1999).

**(b) Associations in Minna Township**

For the development of small and micro scale economic enterprises in an informal sector has proved to be important as members engage in formation of different associations which are interested in protecting the interest of members, cooperative associations, trade unions among other has prang up from the artisans. There are numerous based on the types of occupation in the city.

**(c) Government-Community Relationship**

This as a strategy for urban governance well-articulated in the activities of government agencies that provide employment, services and loan to the informal economic enterprises in the city, these agencies include:

**(d) The National Directorate of Employment (NDE)**

The NDE was inaugurated in November 1986. The institution was charged with the responsibility of creating employment with emphasis on ensuring self-reliance. This covers the training of individuals on the vocational skills development programme and the Small scaleenterprise development programme. NDEs mandate at inception was to train applicants on how to be self-employed and empower such trainees through financial loans. This was the mandate between 1987 and 1994. However, from 1994 till date, financial loans were stopped and changed to demonstrative loans (Sewing machines, welding machines, tool boxes) whereby trainees were given implements that would aid them in their vocation, and they usually pay back within 4 years.

**(e) The Niger State Ministry of Commerce, Mine and Industry (MCMI)**

The Ministry of Commerce, Mine and Industry is saddled with the function of preserving the betterfiscalenvironment in the state, in order to promote industrial and commercial enterprises. The Ministry is supposed to run entrepreneurship development programmes, give technical support to enterprises and also offer managerial and financial training to entrepreneurs.

The ministry has the authorization to develop the fiscal environment that contains the two mechanisms, specifically commerce and manufacturing (industrialization). Another platform is for start-up commercial activities that people engaged in. this is for people that are graduates of University, Polytechnics and Colleges of Education, they good concept of business and wish to develop and nurture it. The Ministry has mandate of making sure that local government become the incubator and the local government offers fresh business opportunities and infrastructure needed to stimulate the people into creating businesses and less dependence on white collar jobs. This is carried out by operating in tandem with the

**RESEARCH METHODOLOGY**

This study is an empirical research that requires the gathering of both primary and secondary data for the study. The research methods adopted for this study were both quantitative and qualitative. The three major assessment methods employed were the administration of questionnaires; interviews and field survey. The choice of these techniques will enable the collection of both qualitative and quantitative data from the questionnaire administration and physical observation of the informal economic enterprises in Minna Township.

**Source and Type of Data**

Data that will be employed in this research will be gathered beginning from both primary and secondary sources. The primary data will be collected through questionnaire administration and physical observation of the informal economic enterprises in Minna Township. These will be complimented with physical observation of the characteristics of the locations and the types, nature, capital required and incentives for smooth running of informal economic enterprises in Minna. The secondary data was obtained from numerous sources including the following published and unpublished materials in books, journals, encyclopedias, magazines, research works, conference and seminar and working papers. The study also requires the collection of secondary data that will be collected from secondary sources such as governance institutions and documents from organizations directly connected with the study such as the Niger State Urban Development Board (NSUDB), the Local Government Departments, the National Directorate of Employment and the Ministry of commerce and Industry in Minna, Niger state. Other secondary data will be collected via the internet, textbooks, journals, newspapers, and other viable sources.

The National Population Census (2011) put the household size in Minna to be about 6 persons per household. According to Owoyele (2014) there are 29 neighborhoods in Minna. The neighborhoods of this research include Tudun Fulani, Bosso Town, Jikpan, Dutsen – Kura Gwari, Kpakungu, Nyikangbe, Barkin Sale, Sauka Kahuta, Maitumbi, F-Layout, NngwanDaji and Chanchaga.

The number of questionnaire to be administered in each neighborhood is known as sample size. A sample size of 1,200 informal economic enterprises will be adopted for this research. Though the National Population Commission indicated that 70% of the total national populations are involved in informal economic activities (National Urban Development Policy, 2006). The 1,200 questionnaires will be administered in the selected neighborhoods as selected based on even geographical spread.

A sum of 1,142 entrepreneurs were selected for the research as some of the respondents do not responds to the question that rendered the questionnaire invalid for the study. This is about 95.2% of the total questionnaire used for the study.

The sampling procedure used for the administration of questionnaire for the study involves two steps. The first step entails the use of stratified sampling to divide the city of Minna into the 29 neighbourhoods identified by Owoyele (2014). The strata form the basis for selection of the sample size. Figure 1 shows the 12 neighbourhoods identified as the high density areas were the selected.

Figure 2: Minna showing the 12 Selected Neighbouthoods.

Source: Department of Urban and Regional Planning

**RESULT AND DISCUSSIONS**

**Socio-Economic Characteristics of Informal Economic Enterprises in Minna**

This section of the study focused on the socio-economic characteristics of informal economic entrepreneurs in Minna. This enabled the researcher to understand the antecedents Contemporary Issues and Sustainable Practices in the Built Environment

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of the informal economic entrepreneur and the circumstances influencing their decisions on informal economic enterprises.

**Age of Informal Economic Entrepreneurs in Minna**

The analysis of the age of the informal economic entrepreneurs in Minna shows that that it ranges between 20 and 70 years. About 22.4% of the respondents are within the age brackets of 20 and 30 years; 25.0% are within the ages of 31 and 40 years; 37.6% are within 41 and 50 years while 15.0% are within the ages of 51 and 70 years. The implication of this is that large percentage of respondents (informal economic entrepreneurs) in Minna are within the working class age and therefore work hard to cater for their household and implication is utilization of the profits from the informal economic enterprises do not allow them to re-invest their profit in the business so as to allow the enterprises to grow further. Figure 2 shows the age characteristics of the informal economic entrepreneurs in Minna

**Figure 2: Age of the Informal Economic Enterprises in Minna**

**Educational Status of Informal Economic Entrepreneurs in Minna**

The result of the study on the educational status of respondents (entrepreneurs) shows that the educational status ranges between No Formal Education to all level of educational attainment. 39.7% of the entrepreneur does not have formal education; 20.0% have quarnic education; 10.5% had primary education; 18.8% had secondary education while 6.0% had one form of tertiary education. Table 1 indicated the educational attainment of the informal economic entrepreneurs in Minna. The implication of this is that large proportions of the entrepreneur have no formal education of lower level of education. This will have effect on the decision on their businesses and poor management of the business. In fact these set of people takes decisions that do not corresponds with their business status and sometimes go bankrupt due to poor managerial skills and wrong decisions.

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| **Table 1: Education Attainment of Informal Economic Entrepreneurs in Minna Educational Attainment** | **No. of Respondents** | **Percentage** |
| No Formal Education | 453 | 39.7 |
| Quranic Education | 286 | 25.0 |
| Primary Education | 120 | 10.5 |
| Secondary Education | 215 | 18.8 |
| Tertiary Education | 68 | 6.0 |
| **Total** | **1,142** | **100.0** |