

SPORTS AS AN INSTRUMENT OF ECONOMIC ENHANCEMENT FOR NATIONAL DEVELOPMENT

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Abstract

The trend of substantial reduction in government financial commitments to the funding of sports and the need to mobilize additional financial resources through other channels have prompted us to re-think long term prospects. The focus of this paper is to find an enduring fund mobilization frame work necessary to support the result and at the same time create wealth for national development. The paper will review sports from its social and commercial dimensions to understand funding issues involved,

Introduction

Sport is an ambiguous term, which has almost eluded definition. Miller and Russell (1971) observed that sport has permeated most if not all, of our social institutions, including education, economics, art, politics, law, mass-communications and international diplomacy. Sports as used in this paper is given a broad sense to cover any physical or mental activity that is capable of exerting the human mind and body towards improved output.

The physiological build and anatomical composition of human beings, have prompted scholars to define man as a competitive animal (Ladani, 1990). The race to determine the strongest, fastest and smartest through sports competition has assumed a prominent, sometimes all consuming position in mankind's scheme of things.

Sport may be recreative in nature or wholly professional, what is certain is that it can not be ignored. It stimulates powerful passion in both the participant and the spectator. The impact of sports on man can be viewed from two (2) dimensions - the social and the commercial.

The Social Role of Sports in Nation Building

One can infer that participation in sporting activity enhances both the physical and mental capacities of participants. Sports is therefore a powerful tool for the improvement and expansion of human resource capacity. The realization of the importance of fostering and sustaining a healthy population, have resulted in nations constantly seeking ways of ensuring widespread involvement of their citizens in sporting activity (Figler, 1981).

In addition to the enhancement of physical and mental capacity, sports conducted by teams or collection of individuals assist in developing the spirit of mutual co-operation across divisive boundaries.

The principal element of the socio-economic dimension to sports deserves special mention at this point. The sports fan is the popular noun used to describe a spectator or follower of a specific sporting activity. The "fan" begins by identifying with a particular sport. For whatever reason the fan's passion for the sport is expressed in the form of loyalty and support for a person or team participating in the chosen sport. Inexplicably the fan's loyalty will most times transcend or overcome the ingrained divisive forces of race, religion, ethnicity and sectionalism. Sport has become perhaps the single most powerful tool for unifying people of diverse socio-political background.

In the context of Nigeria, the value of sports as an instrument for nation building cannot be over-emphasized. Its role and prominence in the everyday life of the ordinary Nigerian cannot be allowed to diminish current levels of national pride and unity brought about through the euphoria of recent national sporting, successes such as the Abuja, 2003 All African Games, can only be sustained by maintaining such success in the coming Athens Olympics and the 2006 FIFA World Cup in Germany.

Traditionally, funding has almost wholly come from the state as indeed it should, but as we shall soon see, other funding sources exist and if successfully exploited could substantially reduce the reliance on government subsidy.

Sports as a Commercial Enterprise

Most Nigerians may not be aware that they form part of probably the most global, profitable and influential industry today the sports industry. This industry derives its livelihood from feeding the addiction and satisfying the

loyalty of the sports fan, through the provision of demonstrated sporting excellence.

Sport is a Global Multi-Billion Naira Industry

Nigeria is currently lagging behind the rest of the world in failing to appreciate that sport is now a major part of the business community that differs various players with specific services and opportunity for profit. What we should be looking forward at to develop is the establishment "of various sport-oriented amenities that will conduct their activities like any corporation within an all-embracing industry.

Within such a structure, athletes are part and parcel of a major business enterprise where individuals and groups are involved in producing a consumable product for the general public. The product is generally regarded as "sport entertainment" where the athletes are the prime actors, with a host of attendant supporting cast ranging from marketers to spectators.

Imoukhuede (1997) stated that like any other business oriented organization, for us to move forward and be a part of this worldwide industry, we should state in unambiguous terms the way and manner we intend to achieve such objectives. This should include the discovery, development and production of elite performers from a broad-based structure as the focal point.

For more understanding the working of this industry will be seen from an examination of its three main segments: Fitness and Recreation; Entertainment; and Advertising and Public Relations (Imoukhuede, 1997).

Fitness and Recreation

This segment of the industry is concerned with the provision of an enabling environment and facilities to enable sports enthusiasts participate in their preferred sporting activity. This involves the provision of:

- (a) Land and Buildings;
- (b) Equipment and Apparel;
- (c) Medical Facilities;
- (d) Training and Coaching;
- (e) Accommodation and Comfort.

Entertainment

This segment of the industry provides sporting fans with the spectacle of athletes competing amongst each other to achieve sporting excellence. It covers:

- (a) Event Management;
- (b) T.V, Radio, other entertainment media;
- (c) Personality and Icon Management;
- (d) Gambling and betting.

Advertising and Public Relations

This is closely aligned to entertainment and draws its strength from the industry's capacity to attract vast audiences, which can then be assessed by enterprises seeking to send a message to these audiences. These involve:

- (a) Media advertising.
- (b) Corporate sponsorship.
- (c) Endorsements.

Economic Enhancement Through Sports

It is important to note that sport is a money spinner thing. This is exemplified in the developmental gains of countries in Europe and America who turned sports into money (sports professionalism). This involves professional sports and professional athletes. Professional sports means competing for money prizes as a means of subsistence, while a professional sports man means one who engages in sports for his livelihood. This justifies the profitable ways these countries manage their sports. Nigeria can also borrow from the experience of these countries to achieve economic enhancement through sports.

Through professional marketing of the product of the sports industry, it will be possible to promote athletes, teams and events by stressing the strength of the product to attract both sponsors and spectators. This can be fully achieved if:

- (i) Encouragement is given various individuals and groups that will be involved in the organization of sports as a commercial business enterprise,
- (ii) Encouragement is provided through the rewarding of athletes for their performance and also

ensuring that the welfare factors such as medical coverage, insurance and post performance careers amongst many other matters are attended to.

- (iii) Encouragement is given to establish commercially oriented clubs and organizations. This can be in the form of incentives such as tax relief and provision of grants towards establishing such enterprises.

The Commercial Dimension of Sports (Revenue Generation)

In the earlier portion of this paper I examined three segments to the sports industry: Fitness and Recreation; Entertainment; and Advertising and Public Relations. The commercialization of sports in Nigeria through these suggested frameworks will open a vista of earning opportunities to the nation. Perhaps to the extent of winning funding independence for the sports administrator.

(i) **Revenue Generation Through Fitness and Recreation**

This sub-segment concentrates on the provision of sporting infrastructure (although capital intensive). Given Nigeria's funding constraints, the short to medium term commercial options are limited to those sports activities that will not require significant cash contribution from the state. Concentration should therefore be on sports, which require a nature driven environment. For instance Golf, Safari, Yachting and Boat racing and other outdoor sporting activities (sports tourism). The recreational value of such activities to local and foreign enthusiasts should not be under estimated and indeed the profitable experience of countries such as Morocco, South Africa, Kenya, Ivory Coast, Indonesia to name a few, are a testimony to the viability of this option.

(ii) **Revenue Generation Through Training and Camping Centre for International Athletes**

Nigeria can serve as a training and camping centre for international athletes to prepare for sports events. Athletes belonging to nations whose resource capacity is significantly below that of Nigeria. Our existing infrastructure, technical skills etc. can be polished up to attract users from the sub-continent. These facilities will of course not be provided for free. It is ironic that the Super-Eagles would spend millions of naira camping in Cote-d'Ivoire, a nation whose gross domestic product (GDP) pales in comparison to Nigeria.

(Hi) **Revenue Generation Through Sports Entertainment**

Here, concentration is on the commercial opportunities presented by the concept of event management. The hosting of international sports events have now become wholly commercial ventures. The last two Olympics hosted by cities in the United States of America and Australia returned substantial profits. Events management extends to the hosting of sports galas, leagues etc. What is key is that the sporting prowess displayed as well as the organization of the event itself must operate at internationally acceptable standards.

(iv) **Revenue Generation Through Advertising and Public Relations**

The commercial benefits of sports competition under the sovereign identity of the state, belong first to the nation and then to the athletes. It is therefore in both the image making and commercial interest of the nation to ensure that our national teams and athletes perform at superior levels of excellence. The better the performance, the wider the audience, the wider the audience, the more marketable our athletes are to attract advertising and commercial endorsements. I shudder .at the amounts the National Soccer Team (Super Eagles) will attract should they win the next Football World Cup in Germany come 2006. The thrust should therefore be to make the most use of the nation's vast reservoir of natural talent 'by discovering more Olajuwons, Ajunwas, Kanus, Okochas etc. under national sporting programmes designated to ensure maximum international exposure on the strength" of demonstrated sporting excellence.

According to Figler (1981), other areas through which sports can generate income includes:

- (a) Betting on sports lotteries
- (b) Television rights payment
- (c) Sponsorships by commercial companies
- (d) Stock market listing
- (e) Property-income from property rentals, building of hotels, flats, offices on stadium sites etc.

- (f) Merchandising - sales of souvenirs, match programmes, restaurants and raffle draws.

Recommendations

There are great opportunities for Nigeria to manage sports at a huge profit putting into consideration the vastness of the country and the population. The following suggestions will further strengthen the economic viability of sports:

1. As an industry, sports has the potential of increasing the economic wealth of the nation and generating much needed cash which can be applied in subsidizing other aspects of sports which serve non-economic interests. This calls for excellent fund management. There must be a radical change from that which exists in Nigeria today.
2. The Nigerian Sport Administrators should be prepared to direct a successful commercialization process. He must change his job description and the way he views his job functions. He may be a civil servant but must be very business minded servant. His new job will be to generate the level of funding required to achieve sporting excellence in Nigeria.
3. The Government (both Federal and State) should as a matter of urgency come out with a well-laid out sports policy and in it fashion out a Business Plan for sports as enumerated in the early part of this paper.
4. The Non Government Organizations (NGOs), philanthropic individuals and charitable organizations should please serve as ports of call in fund mobilization process by identifying sources of funds available for sports development.
5. The athletes (players) must be made to understand their roles. On their part, there should be dedication, honesty, discipline and the determination and will to excel. This category of actors should be given legal advice on matters, which affect their livelihood and future.

Conclusion

Conclusively, our nation is presently pushing for changes in the dynamics of our existence. These changes should affect every aspect of our lives including sports. A funds resource management blue print must be articulated at national and state levels guided by a philosophy of self-reliance through commercialization of sports. In fact, millions of Nigerians can be gainfully employed in this new industry if all efforts are pooled towards achieving this noble goal.

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