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AGRICULTURE AND NIGERIA'S ECONOMIC DEVELOPMENT: POLICIES, PROBLEMS AND PROSPECTS

By

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INTRODUCTION

Agriculture is still the most important sector of Nigeria's economy. Up till the late fifties, it contributed over 60 per cent of Gross Domestic Product. Its percentage contribution however has fallen drastically in recent years due in part to the boom in the petroleum industries and the growth of the industrial sector. However, the oil boom notwithstanding, the agricultural sector still provides employment for over 70 per cent of the Nigerian population. Apart from provision of the means of livelihood to farmers, it creates job opportunities for people who serve the farming and agro-allied industries within the country.

As a matter of history, up to the early 1970s, agriculture dominated Nigeria's economy but since then oil has held the principal position and Nigeria started to experience growth without development. Political decisions taken since then have in part relegated agriculture to a secondary economic position. As a result, agriculture has suffered, and, increasingly, has occupied a back seat in our drive towards economic take-off. Stagnation became more apparent during the 1970s, and agricultural services to the economy started to decline at an increasing rate and thus, the Nigerian agriculture is now characterised by low farm incomes, low levels of capacity to satisfy the food and fibre needs of the country and primitive techniques of production. It is in fact now a proto-type of peasant agriculture which is caught in a vicious circle of poverty i.e. low income leading to poor savings and little investment in yield increasing technology. Because technology is poor, therefore both output and income are low. Consequently, agriculture in Nigeria is caught in a low-level equilibrium trap where the rate of return cannot rise among other things because of the nature of technology in use.

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SYNTHESIS OF AGRICULTURE OUTLOOK FROM THE 70'S

Agriculture grew at an average rate of 7.8 per cent between 1970 and 1974, which was the early years of the oil era. As oil became increasingly important in the economy, agriculture grew more slowly. By 1976, growth in agriculture had slowed to about one per cent. Awareness of the need to stimulate the agricultural sector resulted in a slight recovery. Between 1977 and 1979 agriculture had a growth rate of around 4.2 per cent. Nevertheless, it was still lagging behind the rest of the economy where growth was estimated to be around 5.5 per cent. However, government interest in agriculture was short-lived and, as the focus returned to oil, growth in agriculture was less than one per cent. According to Hunt and D'Silva (1984), per capita food production in 1981 was probably some 18 per cent below the 1967-70 levels.

(a) HIGHLIGHT OF THE CONTRIBUTION OF AGRICULTURE TO GDP:

Until the Nigerian civil war of 1967-70, agriculture dominated Nigeria's economy, contributing some 53 per cent to GDP in 1965. By 1984, its percentage share had almost halved. The pattern of Nigeria's economic structure changed dramatically during the era of Independence. However, while agriculture's percentage share of GDP between 1965 and 1984 diminished, the absolute value of Agriculture's contribution to GDP increased from \$2,221 million to \$19,832 million. This suggests that although there was a relative decline in agriculture, it may not necessarily have been absolute. However, it is difficult to say whether the rise was due to a real increase in the value of agricultural products or whether inflation in the agricultural sector was so high that it masked the stagnation that many believed was occurring. Studies conducted in rural Nigeria reveal an average annual inflation rate of 30 per cent in the agricultural sector for 1970-80. This is far higher than the average annual rate of inflation for the nation as a whole, which was 18.2 per cent for 1970-78.

SOME SPECIFIC POLICIES TO BOOST AGRICULTURAL OUTLOOK

Since 1970, several initiatives have been introduced to bring new technology to the small farmer. These schemes are in addition to the Agricultural Development Projects (ADPs) and River Basin Development Authorities (RBDAs). Although their methods of operation have varied, the objective of self-sufficiency in food has remained the same, for example:

i. **THE NATIONAL ACCELERATED FOOD PRODUCTION PROGRAMME**

In 1973, the National Accelerated Food Production Programme (NAFPP) was launched. This concentrated on the distribution to small holders of packages of information and raw materials designed to improve the production of wheat, sorghum, millet, rice, maize and cassava. To ensure that farmers were able to use the packages, a dense network of extension workers and agro-service centres was set up. In theory, the scheme had much to offer, but in practice, it was of limited benefit as the government ceased to contribute adequate funds and hence the system collapsed.

ii. **OPERATION FEED THE NATION (OFN)**

In 1976, unnerved by the vast amount of foreign exchange leaving Nigeria to pay for increasing quantities of imports, the government introduced Operation Feed the Nation (OFN). This was a hurried initiative which was not clearly thought out by a regime anxious to make a breakthrough. Once again, the objective, as the name suggests, was self-sufficiency in food. Subsidised supplies of fertilisers, seeds, insecticides and pesticides, among other items, were provided. The media urged everyone to cultivate their back gardens intensively and to keep chickens, whose eggs and meat would provide an important source of protein and whose droppings could be used as fertiliser. The necessary supplies were to be distributed by thousands of students who were paid to do this during their long vacation. However, success was limited as some two-thirds of the entire government allocation in the first year of the OFN programme was spent on student wages, leaving little for the farmer. Supplies were not sustained, efforts were concentrated on the establishment of OFN farms, rather than on smallholders, the timing was wrong among other things and consequently, the programme collapsed.

iii. **THE GREEN REVOLUTION**

In 1983, with the return of civilian rule, the remains of OFN were cancelled and replaced with a much more ambitious and highly organised system run by the National Council for the Green Revolution. It was operated on Green Revolution principles, that is, the use of high yielding varieties of seed, high inputs of fertiliser, irrigation, etc. The new system offered renewed hope for farmers but like its

predecessors, this too took ill through bureaucratic problems because people in senior administrative positions had little or no connection with those working in the field and so the programme died a premature death when a new government came into power.

The approaches to developing Nigerian agriculture in general term have not been lacking in imagination. In almost every case, however, success has been minimal because the government has failed to maintain consistency in its investment in agriculture.

AGRICULTURAL POLICIES SINCE 1985 TO THE PRESENT

Some of the objectives stated in the 1986 budget were essentially to restructure and diversify the productive base of the economy to make Nigeria less dependent on oil and foreign imports.

In Agriculture, a series of radical measures have been adopted to increase production and several imports have been banned, including rice, maize, day old chicks, stock fish and vegetable oil. Imports of raw materials which could be produced in Nigeria were banned from January, 1989. This affects many aspects of some domestic industries including brewing, the manufacture of soft drinks, flour milling, baking, textile manufacture and the production of vegetable oil. The country is capable of producing the necessary raw materials but it remains to be seen whether production and storage of such agricultural produce can be well organised. While imports are being restricted, exports are being encouraged. The government has pledged support for the small farmer. Aspects of the infrastructure which would benefit rural areas, such as road and other transport networks, are to be developed.

The marketing boards have been abolished, so producers no longer have low prices forced upon them. Much needed credit is also to be more readily available to smallholders. A second tier foreign exchange currencies to be auctioned in Nigerian cities for certain aspects of trade. Through this it was presumed the true value of the Naira would emerge and the system would achieve an effective devaluation of the currency by some 60 per cent. It was also, theorized that it would help producers of export crops in Nigeria. Today, this Structural Adjustment Programmes (SAPs) has a negative impact on agricultural development as cost of agricultural inputs are too expensive to come by.

CONSTRAINTS TO INCREASED AGRICULTURE PRODUCTION

There is a dearth of an indepth empirical analysis of the problems facing

agricultural production in Nigeria. Efforts to layout these production problems will be very beneficial to agricultural policy makers, the extension agents, the researchers and the peasant farmers. Knowledge of these problems and the ability to plan against them will help immensely to accelerate agricultural production and pave the way for effective management of both agricultural inputs and outputs in Nigeria.

The constraints to increased output in agriculture can be classified into seven (7) categories; namely:

(1) Capital-Oriented Problems which include:

- Credit facilities
- Farm Infrastructure
- Transport Services
- Wages
- High cost of production

Farming as a matter of course requires factors of production such as improved seeds, adaptable technology, credit facilities etc. They must be made available to the small farmer at the right time, in the right quantity and at prices that will encourage rather than restrict their use.

A substantial part of the farm produce is lost between the farm and the consumer. These losses are greater in perishable farm produce such as vegetables and animal products. In view of this, adequate and effective infrastructure such as storage, processing and transportation must be put in place to enhance productivity.

(2) Management-Oriented Problems

These include:

- Land and water management
- Crop management
- Energy management
- Post-harvest management
- Farming systems management

Scientific land and water management remains the key to sustainable agriculture. The land tenure system in Nigeria compels the small farmers to operate on uneconomically small and fragmented land. Such a situation inhibits investment in land improvement thereby impeding increased food production. The 1978 Land Use Decree made bold to solve this problem but to date it has achieved little or nothing in this direction.

Crop management relates essentially to breeding varieties and hence the importance of careful selection to enhance high yields. Energy management for irrigation, land preparation and crop management which include sowing harvesting, pest management, nutrient supply etc. constitute a great barrier to Nigeria's agriculture and must as a matter of urgency be tackled. The packaging of the best available technologies into an economically and ecologically desirable farming system should be the end-point of all our efforts towards sustainable agriculture in Nigeria.

3. Nature-Oriented Problems

These are:

- Drought
- Desert Encroachment
- Pest and Diseases

Nigeria's agriculture remains mostly rain-fed and consequently the lack of dependable water resources constitutes an obstacle to agricultural productivity. The advance of drought has become an endemic problem in Nigeria. A "break through" through the use of simple technology was proffered by Ogunfiditimi in the late 80's (The Oasis). It was embraced by some policy makers in the mostly affected states of the Federation but due to political instability, another "King reigned in Israel who does not know David" and so the project went into a coma. As desertification has destroyed thousands of hectares of land within the country, other natural disasters such as **floods**, pests of crops and livestock, (rats, locust etc.) have great impact on the food **situation** in Nigeria. All these "Acts of God" tend to dampen the enthusiasm of the farmers and discourage them from putting all their resources into full production. It is a **challenge**.

(4) Land-Oriented Problems

They include:

- Land tenure system
- Soil fertility.

As earlier discussed, the land tenure system in Nigeria remains one of the most difficult problems facing our agricultural outfit. It inhibits investment, expansion, effective utilization and increased food production. There is therefore the urgent need to allow the small farmers to have more access to land in order to boost their output. Land tenure system is a sensitive issue in Nigeria. It therefore requires political, educational and adjustments to strengthen its maximum utilization and dispensation.

(5) Labour-Oriented Problems

These include:

- Labour scarcity
- Extension service staff Ratio
- Women in agriculture

The good old days when the farmers could get cheap labour from neighbouring states is over. The Universal Free Primary Education Scheme among other things has diverted all rural job seekers to the school. The young school leavers, rural artisans, etc. have migrated to the urban cities for better job opportunities. What is left in the farm are the old and feeble men and women who can barely meet the challenges of tremendous sacrifices that farming demands. They are mostly within the 40-70 years age bracket (Ogunfiditimi 1979). In addition, many other crops compete with the available labour in the rural areas. For example, the harvesting of food crops reaches its peak in July or August when the early maize or the early yams are harvested. This is also the most critical period for farmers to engage in serious weeding, spraying, harvesting, etc. Since at this period, farmers may only get (or may not) a few hands to help them, their activities are limited and this affects the level of production.

The farmers in the whole country are still neglected. The people suffer from diseases and are poor. Road network system remains under-developed and the few available ones are poorly maintained. Unless steps are taken to develop all rural infrastructures, such as roads, electricity and so on, food production will continue to decrease with time.

Most of the meagre loans advanced to farmers are sometimes diverted into other ventures such as building houses, paying outstanding debts, securing more wives, etc. Since most loans given are not supervised and their uses not evaluated, most of the loans received were never used to improve farming. The bottom line of this, is the lack of effective institutionalized farm credits for the small-scale farmers. This has in turn affected the adoption of new innovations and the expansion of the scale at farming operations.

In general, Nigerian farmers are victims of defective agricultural import and service delivery systems with the result that farmers do not receive inputs and services in the quantities they require and at the times that they need them most.

The present ratio of one extension worker to about 2,250 in the country is unsatisfactory. A recommended ratio of 1:500 will be ideal for effective coverage and

contracts. Most of the farmers do not know the significance of the Agro-Allied Centres built around them. Some of these centres are empty effigies. Most research findings relating to agricultural improvement are still stored in the shelves of the researchers or institutes that discovered them. The extension agents are either poorly paid, unskilled, ill-equipped or not provided with feasible information relating to production to disseminate. All of these affect production.

Women in Agriculture: The contribution of women in Nigerian agriculture has not received adequate policy recognition. Thus, the special constraints faced by women especially in the denied or very limited access to farm credit, land and production inputs have not been effectively addressed by policy makers. Consequently, their full potential in accelerating agricultural production and food scarcity has not been realized.

TECHNOLOGICAL PROBLEMS

The need to develop and encourage appropriate technology for the rapid development of the agricultural sector of our economy cannot be over emphasized. To date, our small scale farmers still continue to apply the use of long farm tools handed down from generation. Unless this is changed, our agricultural outfit will still remain the peasant type. Appropriate technology is better done in farmers' fields jointly carried out by the scientists and the farmers. here the blending of indigenous knowledge of farming systems with scientific expositions will help promote agricultural outputs. For technology to be effective and make the necessary impact, it must be target specific and built in concert with such target, e.g. The development of technologies specifically tailored to women-specific occupations will enhance their full involvement and the full manipulation of such technologies. As stated by the International Union for the Conservation of Nature and Nature Resources (IUCN) "Indigenous people are the repository of understanding lost by urban and industrial societies. They illustrate the lifestyles that are sustable through the judicious use of renewable resources". In view of this the farmer is rightly called "A great Integrator".

GOVERNMENT AS A BARRIER TO AGRICULTURE

It is government orientation, consistent and sustainable policy towards favourable conditions for farmers that can enhance agricultural development in Nigeria. Over the years, policies have been inconsistent, unharmonized and discontinuous. Consequently, these have led to numerous economic and political disturbances. These disturbances

have in turn resulted into abnormal food and fibre shortage within the country. Most often, some government policies, especially at the level of implementation, discriminate against the small-scale farmer, marginalize the role of women and overlook intra-family allocation of time and distribution of income which have great impact on the adoption of new innovations.

Most troublesome within this policy concept is the persistence of policy and programme mistakes, duplications and overlaps in Nigerian agriculture. These policies have repeatedly continued to produce the so-called unintended consequences and unintended beneficiaries from year to year and from one government to another. The repeated failure to learn from past mistakes suggests that gainers from mistaken policies are politically more powerful than losers from such policies. This situation must be reversed.

Miscellaneous constraints to Agriculture:

(a) Discrimination against small-scale:

Over 80 per cent of marketed agricultural produce supplies come from small-scale farmers. In most cases policies and research failed to recognise the large stock of scientific knowledge embedded in the small-scale farmer acquired through process of inter-generational transfer of farming skills (Indigenous knowledge system) based on trial and error methods.

(b) Inappropriate Policies:

These include failure to define roles of government and the private sector in Nigeria's agriculture, cheap food import policies, cheap urban food policies, heavy taxation of export crops and unfavourable international trade policies including unfavourable foreign exchange policies.

(c) Institutional Proliferation:

This has produced role confusion, overlaps, unhealthy rivalries and ambiguities. In essence, this has helped to squander the limited budgetary allocations to agriculture on (among other things) overheads of public parastatals and numerous public agencies. As a result, little or no services get to the right target.

(d) Population:

The inability to control our population increase which is multiplying faster than its food production constitutes a big problem to our agricultural development. While food production increases annually by 2%, the annual population growth rate is about 3.2%.

(e) Neglect of Irrigated agriculture:

There is a woeful neglect of irrigated agriculture in Nigeria especially of the small and medium scale type through which Nigeria's dependence on rain-fed agriculture could be reduced thereby promoting increased food production in the process.

(f) Instability in the price of Agricultural Products and the role of the middlemen and government:

This is one of the most important factors that affect production. For example, the "cut" in the world market price of agricultural products in the 70s reduced the source of livelihood of the farmers in the country. This probably explains the government action of paying less attention to agricultural production as a source of foreign exchange in the 70s. Also the activities of the middlemen such as produce inspectors, marketing officials e.g. Exporters, produce buyers, etc. are less encouraging to the overall shock stimulation that agricultural production needs now. Most of the inputs meant for the peasant farmers never get to them.

In table I below, Ogunfiditimi and Ogunbameru (1989) made attempt to summarize the constraint facing Nigerian agriculture from the Point of view of Rural farmers and Extension Agents.

A general Overview of this table shows the various constraints to Nigeria's agricultural development. They however are not purported to be exhaustive rather they are to serve as a quick reference point to policy makers and planners.

PROSPECTS:

Nigeria's agriculture has a very bright future now than it has had since independence and hopes are high following good harvest in recent years. However, it is now at a difficult cross road, not sure which path to follow in preparation for the even more problematic and severely competitive twenty-first century. Although its potentials to

lead the country's economy and provide in abundance the wherewithal for its actors are not in doubt but to reach this height calls for effective, productive and concerted efforts among the actors especially the government and the private sector. This in essence means that Nigeria's agriculture of today must:

- (a) strive to regain its lost capacity to provide the much needed food and fibre for the country's teeming population.
- (b) try to regain its capacity to provide a challenging and worthwhile way of life because an agrarian environment should not only be farmed, it should also be worked, perceived, known and lived. That is, we must look at farming as a way of life, rather than merely a source of employment "it is this holistic approach to farming that may begin to attract the youths and the literate community back to the land, rather than relying on a mere exhortation to stop the drift to the urban centres".
- (c) Be capable of providing the simplest and quickest entry point for modern scientific methodology to transform Nigerian societies by building upon the existing very strong foundation of traditional agricultural knowledge base.

To achieve all of the above, the following are recommended.

- An urgent need to develop organizational structures that will promote decentralized production. That is, the need to encourage Zonal Commodity Specialization Production System (ZCSPS).
- Government deliberate policy to form farmers into effective cooperative societies.
- Granting agricultural loan to individual farmers, cooperatives, agro-allied companies and relevant NGO's and the re-structuring of the Community Banks and People's Bank to provide financial assistance to grassroot farm families.
- There is a need to motivate the private sector to increase its drive towards exporting items such as cocoa butter, cocoa-liquor, groundnut cakes etc.
- Effective and vigorous interactions between the research community, the policy makers, the implementation of policies and the users of the research results. That is to say that there should be active involvement between the

government, agribusiness, research and the small farmer.

- Develop a long-range, strategic policy that would stand the test of time in case of any socio-economic fall-out.
- Encourage urban agric-extension practices.
- Develop a bottom-up policy approach to our agricultural development so as to take advantage of the indigenous knowledge of the peasant farmer and to make him a central figure in both policy and research processes.
- Encourage and promote simple but cost-effective technologies that would help combat some of the problems facing Nigeria's agriculture, e.g. The development of the "Oasis" irrigation technology.
- The setting up of a separate ministry of Agricultural Extension Services to coordinate among other things, agriculture-related services.
- Revisiting some macro-economic policies that are capable of introducing disincentives to agriculture e.g. The issue of higher protection given to the industrial sector and some elements of the Structural Adjustment Programmes (SAP) - Here government would invest an appropriate percentage of its foreign exchange earnings in agriculture to ensure for instance, that the farmers receive all the inputs they need.
- The need for political stability to remove an atmosphere of uncertainty in the rank and file of the productive actors within the economy.

Without holding brief for any developed country, our poor performance since independence has been a major contributing factor to our inability to use ourselves. This therefore suggests that there is nothing wrong with our destiny being located in Nigeria, but something is wrong with ourselves being Nigerians.

TABLE I:
MEAN SCORE RATING OF THE AGRICULTURAL CONSTRAINTS
AS PERCEIVED BY THE FARMERS AND THE AGRICULTURAL
EXTENSION AGENTS

Problems Description	ACF's	AEAs
Capital-Oriented Problems:		
- Credit facilities	4.32	4.59
- Farm Infrastructures	4.27	4.20
- Transport Services	4.09	4.15
- Wages	4.03	4.08
- High cost of production	3.73	4.06
Management-Oriented Problems:		
- Input supply and distribution	4.02	4.14
- Marketing system	3.32	3.73
- Processing and storage	3.71	3.68
- Research/Extension/Farmer Linkage	2.83	3.40
Nature-Oriented Problems:		
- Drought	3.89	3.51
- Desert Encroachment	2.14	3.48
- Pest and Diseases	2.89	3.39
- Bad Weather conditions	3.65	3.78
Land-Oriented Problems:		
- Land Tenure System	2.15	4.25
- Soil Fertility	2.18	2.69
Labour-Oriented Problems:		
- Labour scarcity	2.86	3.82
- Inadequate Extension staff	3.41	3.69

Source: Ogunfichimi, F. O. and Ogunbameru, B. O. Journal of Arid Agriculture, Vol. 2, Nos. 1 & 2 pp. 23-30, 1989.

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