

ENHANCING THE ECONOMIC BENEFITS OF THE NIGERIAN AGRICULTURAL SECTOR: THE APPLICATION OF A NEW POLITICAL AND MOTIVATIONAL (P-M) MODEL

Ogbole, Friday Oghole

Abstract

Nigeria's claim as the giant of Africa would have been more evident had the performance of the agricultural sector not dwindled over the years. Rather than becoming a world-leading producer in many agricultural produce she has so much poverty and has continued to import food and other agricultural produce that she could simply have produced locally. This paper seeks to explain this paradox and highlights the challenges from the Malaysian Oil Palm industry. It then proposes the implementation of a new model (the P-M model) to remedy this paradoxical situation. The paper recommends: the implementation of the P-M model, the formulation of appropriate external trade policies that favor more exports than imports of agricultural produce,, regular agro-related vocational and professional training, repositioning the National Youth Service Corps (NYSC) scheme to enhance agricultural productivity and effective utilization of agro-related departments and institutions of higher learning to meet agricultural goals.

Introduction

Nigeria, owing to its huge agricultural potentials ought to have been one of the world's leading producers of several agricultural produce. On the contrary, it has so much poverty because it failed to efficiently harness its agricultural potentials to develop its economy. As a result, it has continued to import food and even some basic agricultural produce that could have been simply produced locally. Its consumption oriented disposition (rather than production based) has been the undoing of its economy. As a result, for the period 1981-2002, on per capital bases, Nigeria is said to have one of the weakest growing economies of the world (CBN Briefs, 2004-2005:55). This paper proposes a new model (the P- M model) which could bring solution to this negative economic trend.

The Nigerian Agricultural Sector in Retrospect

The performance of the Nigerian agriculture sector was encouraging before the discovery of oil in commercial qualities. In fact, it was the main stay of the economy. Table 1 below shows that, agriculture alone, contributed a huge 84.48 Percent (US\$ 391.72 Millions) to total merchandise export in 1960, with the oil and mining sector contributing only a merger 2.43 Percent (US\$ 11.26 Millions). However, this excellent performance continues to decline until 1998 when the contribution became 2.20 Percent (US\$ 215.35 Millions) and 96.1 Percent (US\$ 9,406.93 Millions) respectively, in favor of the oil and mining sector.

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Table 1: Value of Exports and Percentage Shares in Total Merchandise Export

Year	Value of Exports ((JS \$ Millions)			Percentage share in total merchandise export		
	Agriculture	Minerals	Manufactures	Agriculture	Minerals	Manufactures
1960	391.72	111.26	60.76	84.48	2.43	13.11
1965	481.50	238.90	16.90	59.01	32.40	2.29
1970	447.60	765.60	14.70	36.45	62.35	1.20
1975	459.20	7485.70	38.50	5.75	93.77	0.48
1980	622.50	24,744.80	71.40	2.43	97.11	0.28
1985	328.20	15,004.80	296.97	2.10	96.00	1.90
1990	302.20	13,265.00	103.30	2.21	97.03	0.76
1995	211.75	11,448.70	79.95	1.80	97.04	0.66
1998	213.55	9,400.95	100.41	2.20	96.01	1.70

Source: CBN (1960-1990). Annual Reports and Statement of Accounts, Ogunkola and Oyejide (2001) in Okoh (2005:66) Union Digest (2005, December), Vol. 9 (3-4).

Furthermore, Table 2 shows a general decline in the contribution of Nonoil Export (in which agriculture has a significant contribution) to the country's export earning for the period 1990-2000. Thus, in the wake of oil boom agriculture suffered significant neglect.

Table 2: Contribution of Oil and Non-Oil Export to Nigeria's Export Earning (1990-2000)

Year	N-oil Export Earnings (%)	Oil Export (%)
1990	3.8	96.2
1991	4.0	96.0
1992	3.0	97.0
1993	3.0	97.0
1994	3.0	97.0
1995	3.0	96.0
1996	2.0	98.0
1997	2.0	98.0
1998	4.5	95.5
1999	2.0	98.0
2000	2.3	97.7

Source: Compiled from Data obtain from the CBN, in Gbosi, (2003:204). Governments' Efforts to Salvage the Nigerian Agricultural Sector.

Several agricultural development programmes have been launched by the Nigerian government over the years for food sufficiency and to reposition the sector for productive performance. Some of these include: Operation Feed the Nation (OFN), Green Revolution and the Directorate of Food, Roads and Rural Infrastructure (DFRRI), National Economic Empowerment and Development Strategy (NEEDS) and State Economic Empowerment and Development Strategy (SEEDS); and National Accelerated Food Production Programme (NAFPP)

Enhancing the Economic Benefits of the Nigerian Agricultural Sector: The Application of a New Political and Motivational (P-M) Model

Danjuma (2002: 68-69), observed that, other Agricultural Projects include World Bank Assisted agricultural Development projects (ADPs), National Food Security Programme (NFSP), National Agricultural Land Development Authority (NALDA), Nigerian Agricultural Cooperative Bank (NACB) and River Basin Development Authorities. Despite these myriads of ADPs, the Agricultural Sector continues to dwindle in performance due to obvious Herculean problems.

Problems/Undoing of the Nigerian Agricultural Sector

Poor performance of Agricultural Extension service personnel (Okidim, Harry and Paulker, 2006:224), rising level of Agricultural loan default (Muhammed, Musa and Kushwaha, 2002:74-79), poor marketing and poor credit facilities, inadequate extension services, drought, diseases, lack of modern/improved production techniques and neglect of agriculture in favor of the oil sector (Ighodaro, 2006:28), constitute causes of setbacks in the development of the Nigeria Agricultural Sector. However, the worst problem has been the unpatriotic attitude of most Nigerian public office holders to government projects, programmes, properties and funds. Looting/embezzlement of government treasury for personal enrichment and amassing of public wealth probably for their unborn generations are of frequent occurrences. Things have been so bad that the international community has recognized Nigeria as one of the most corrupt countries the world over.

From the foregoing, one may be compelled to reason that the undoing of the entire Nigerian economy that has led to its underdevelopment may be summed up to one single word, "corruption". This is a great slap on the leadership and citizens of Nigeria. It implies that, to propose the motion that, "the worst enemy of the development of the Nigeria economy and hence the agricultural sector have been its leaders" is not an exaggeration. However, there is a ray of hope as the Economic and Financial Crimes Commission (EFCC) has been tirelessly on the heels of such public funds embezzlers in a bid to sanitize the public funds management system and to raise the level of integrity in the leadership.

It must however be mentioned that there are few exceptions among Nigerian public office holders who are free from financial misappropriations.

Negative Effects of Increase in Importation of Agricultural Products on the Nigerian Economy

While the production and export of agricultural produce suffered decline, importation of food and other agricultural products increased substantially as shown in Appendix 1. The negative effects on the economy have been: persistent unfavorable balances of trade, persistent Balance of Payments (B.O.P) disequilibria/deficits, massive foreign exchange outflow and the accompanied increase in the depletion of the country's external reserves. These are indicators of declining performance in the economy.

Ogbole, Friday Ogbole

Challenges from the Malaysian Oil Palm Industry

The performance of the Malaysian economy has been a great challenge to Nigeria. Starting at almost the same level of economic development in the 1960s, today, Malaysia has left Nigeria far behind as expressed in the words of Gopal (2001), below:

“Nigeria and Malaysia share a similar political history; the two countries got their independence from the British in 1960 and 1975 respectively. These nations are also multi-cultural societies with many ethnic groups. The two are on the same latitude on the Equator, although Nigeria is in West Africa, Malaysia is in Southern Eastern Part of Asia, they have similar climates and vegetation. They are also oil producing countries with Nigeria being the 4th largest producer in the world and Malaysia being a net exporter. In the 1960s both countries were at the same developmental level with the Malaysian economy dependent on tin and Nigeria on cocoa, groundnut and rubber.

The two countries export oil palm; the product was first extracted from Western and Eastern Africa, but was later exported to Malaysia.

However, by 1966 and 1977 respectively, Malaysia overtook Nigeria as the world’s leading exporter and producer of palm oil, and the country now accounts for about half the world’s production of palm oil. In addition, Malaysia has become a major exporter of electronic goods and in the process raised the standard of living of its people significantly. Malaysia’s GDP per capita in 1970 and 2004 were US \$319 and US \$4,731 respectively; while that of Nigeria for the same years were US \$199 and US\$594...”

The Need for the Implementation of the Political and Motivational (P-M) Model for Agricultural Revolution in Nigeria *Political Strategies*

It has become very obvious that many Nigerians prefer white-collar jobs to agricultural activities/farming generally. Therefore, something must be done by our policy makers to make agriculture in all its facets very attractive and/or compelling to Nigerians, otherwise the potential benefits/goals of the myriads of Agricultural development programmes (ADPs) would at best end up in beautifully coloured policy statements or guidelines. It has also become evident that politics in Nigeria have in recent times become a “do or die” affair. Getting into a public office through unethical, corrupt and unedifying means is today a thriving political fashion in Nigeria and spreading faster than the HIV/AIDS pandemic or Cancer, into the fabrics of the Nigerian Society. The previously innocent youths are no longer innocent as they are being drawn as “sheep led for slaughter” by their political, unpatriotic godfathers as political thugs/gangs and promised much money in return. This dangerous trend needs to be curbed at all cost. In this regard the following P-M MODEL measures are strongly suggested: (a) Henceforth, all politically elected and appointed positions should be conditioned on at least three parameters: (i) Professional Qualification (ii) Integrity and (iii) Contribution to agricultural development. To hold a public

Enhancing the Economic Benefits of the Nigerian Agricultural Sector: The Application of a New Political and Motivational (P-M) Model _____

office one should at least have the basic and relevant educational / professional qualifications required to manage the office efficiently. On account of integrity, any one previously indicted (after an objective investigation) of fraud and corruption should cease to hold any public office in Nigeria for at least a period of ten (10) years. The third parameter should be clearly defined as shown below:

- (i) For all elected and appointed positions at the Federal, State and Local Government levels, the aspirants/potential appointees must possess a minimum of ten (10), six (6) and three (3) hectares of functional farmlands respectively and producing commercial quantities of specified agricultural cash crops (cocoa, rubber, palm produce, groundnuts, cotton etc) and other agricultural export products (including animal products: hides and skins, bones, etc) for both local consumption and exports. The products may be in their primary or partially processed forms. Such farmlands could be freehold or leasehold but must be functional for a minimum of five (5) consecutive years with a good track records of yielding specified minimum levels of output, before and also at the time such aspirants / appointees are being considered for such offices and thereafter during their tenure in office. A Federal Government agency / commission should be set up to monitor, assess, supervise and record the performances of such farms. A branch of this agency in the state should do same for farms in the state and local governments.
- (ii) All members of the Federal Executive Council and National Assembly must (not optional) own farms, large enough to employ at least five hundred (500) Nigerians on such farms.
- (iii) All Members of the State Executive Council must (not optional) own farms large enough and to employ at least one hundred (100) Nigerians on such farms.
- (iv) All other civil servants must own at least one (1) hectare of functional farm land for the production of minimum quantities of specified agricultural products (crop/animal). These strategies should be made enforceable with appropriate legislation. By these measures Nigeria would be governed by “farmers” who already own “otta farms” and are employers of labour on such farms. In this light, our leaders will be leading by example and will find it easy to enforce and implement measures that will ensure agricultural revolution.
- (v) Faculties/Departments of agriculture / animal production and other related departments in Universities, Polytechnics and Colleges of agriculture need to have their curricula structured on a 70% : 30% (practical: theory) ratio with the students’ practical sessions held on farms, fields, laboratories, workshops, etc. as the case may be. Guided by the lecturers and technologists these practically oriented students should be assisted (with the involvement of casual labourers) to produce specified quantities of such tangible agricultural products as is required by the department. Departments operating below this

standard should be closed down, being unable to prove in practical/tangible/measurable terms their worth and when it becomes obvious that they have become economically wasteful (Ogbole, 2006:45).

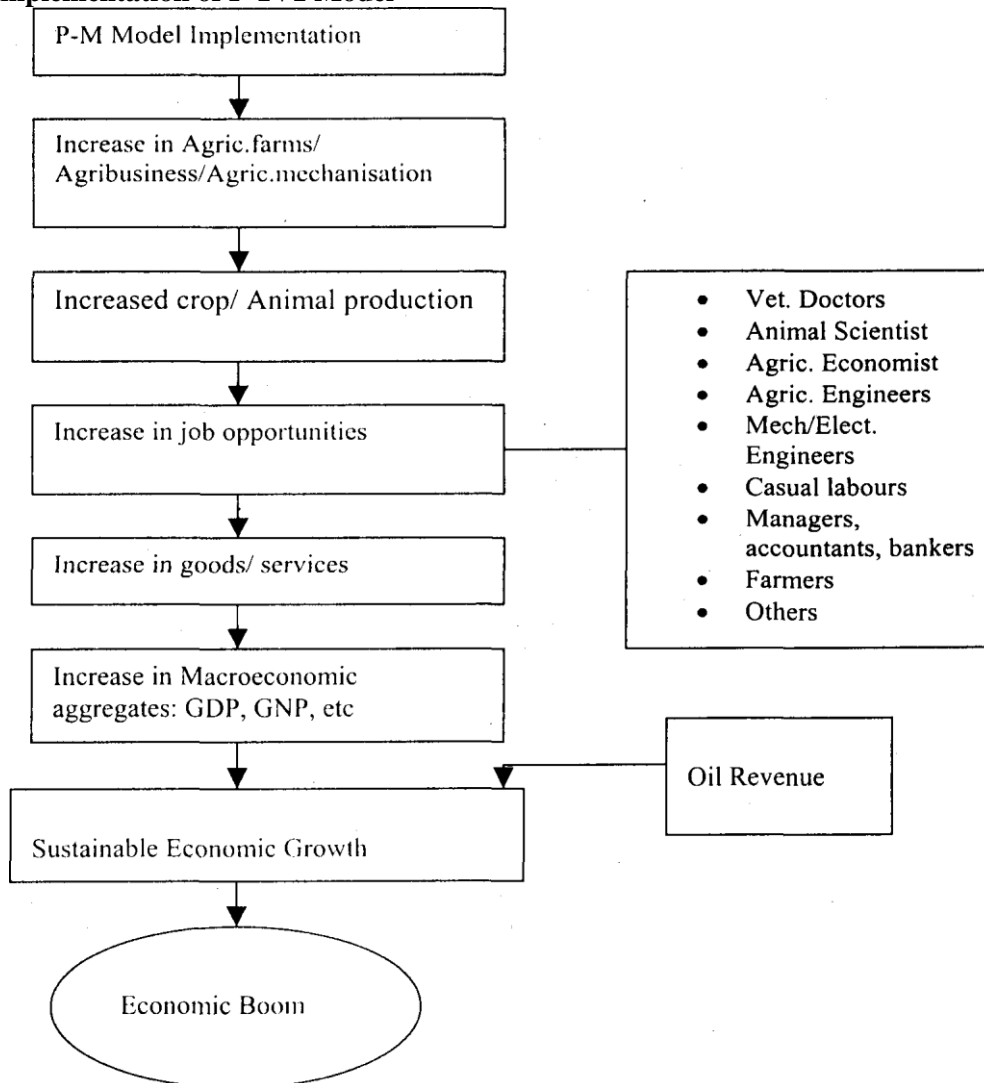
Motivational Strategies

National, State and Local government Awards and Certificates should be given to individuals (civil servants, political aspirants, potential appointees other . Nigerians who meet the specified agricultural produce targets annually. Such awards may include: accelerated promotion for civil servants, electrical / electronic appliances, cash, motor cycles, motor cars, shares in companies, landed properties etc. These motivational strategies would provoke healthy competition in agricultural output. No one who lacks the required agricultural certificate of award is eligible for contesting or appointment into any public office. The said agricultural certificate should be of different levels: Levels 1 (for positions in the local government). Level 2 (for positions in the State Government), Level 3 (for local government chairmen, and members of the state houses of assembly),¹ Level 4 (for Governors), Level 5 (for members of the National Assembly) and Level 6 (for the President and the Vice). The agricultural requirements also vary increasingly in this order and so are the certificates in line with each level. In this way, the struggle for public offices in Nigeria becomes essentially a struggle to outdo other contestants in agricultural output. When meticulously monitored in the near future there will be agricultural revolution in the country to enhance the economic benefits of the agricultural sector as shown in figure 1 below. Coupled with the huge oil revenue, Nigeria would be restored to a state of economic boom thereby regaining its position in global economic affairs.

Enhanced Economic Benefits of the Nigerian Agricultural Sector

Effective implementation of the P-M Model would enhance economic benefits as illustrated in figure 1 below. Note that, growth in agribusiness/ farms could result in agricultural mechanization. This would create jobs for different categories of workers (Agro-allied industry workers, Engineers, accountants, managers, etc.

Fig. 1: Enhanced Economic Benefits of the Effective Implementation of P-1V1 Model



Recommendations

The paper recommends the following:

1. The implementation of the P-M model;
 2. The formulation of appropriate external trade policies that favors more exports than imports of agricultural produce;
 3. Regular agro-related vocational and professional training;
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1. Repositioning the National Youth Service Corps (NYSC) scheme to enhance agricultural productivity; and
 2. Effective utilization of agro-related departments and institutions of higher learning

to meet agricultural goals.

Conclusion

The paper examines the declining trend in the performance of the Nigerian Agricultural sector which was initially the pivot of the Nigerian economy. It highlights the causes of this dwindling performance and draws a challenge from Malaysia which was at the same level of economic development with Nigeria but has today overtaken her. It then proposes a new model (the P-M model) which when effectively implemented can bring the needed solution with enhanced economic benefits of the Nigerian agricultural sector.

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Enhancing the Economic Benefits of the Nigerian Agricultural Sector: The Application of a New Political and Motivational (P-M) Model

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Appendix I: Value of Major Import Groups by S.I.T.C. Sections (=N=Million)

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Year/ Quarter	Food and Live Animal	Beverages and Tobacco	Crude Materials Inedible	Mineral Fuels	Animal and Vegetable Oils and Fats
1970	57.7	4.0	16.6	22.0	0.8
1971	88.3	4.5	20.4	9.0	.0.7
1972	95.8	4.4	20.8	10.3	1.1
1973	126.3	5.2	27.0	13.6	1.4
1974	154.8	9.1	63.7	55.4	3.6
1975	298.8	48.1	74.4	100.4	8.9
1976	441.7	63.8	79.3	181.3	24.7
1977	780.7	132.3	78.4	128.4	46.4
1978	1,027.6	54.6	97.5	161.2	78.4
1979	1,254.3	8.4	1 17.4	126.6	97.5
1980	1,437.5	12.1	156.7	154.8	115.0
1981	1,819.6	16.5	218.9	151.1	128.7
1982	1,042.3	16.4	207.2	1 15.5	151.4
1983	1,761.1	17.8	277.6	72.0	143.4
1984	1,349.7	16.6	300.1	83.4	163.0
1985	1,199.0	9.4	350.5	61.1	71.0
1 986	801.9	14.5	193.9	32.0	124.9
1987	1,873.8	30.7	799.6	76.5	65.7
1988	1,891.6	85.7	591.5	206.8	122.3
1989	2,108.9	136.3	1,080.7	258.8	69.9
1990	3,474.5	228.7	1,417.2	274.2	228.7
1991	3,045.7	261.1	1,566.4	261.1	261.1
1992	12,840.2	729.6	3,939.6	875.5	1,459.1
1993	•13,952.4	498.3	1,328.8	830.5	1,328.8
1994	13,837.0	488.4	5,046.5	1,139.5	1,302.3
1995	88,349.9	3,020.5	31,715.4	9,061.5	8,306.4

1996	75,392.0	2,250.5	26,443.5	8,439.4	7,314.1
1997	100,728.3	5,033.8	38,084.6	10,933.5	11,779.2
1998	102,165.1	3,349.7	37,683.9	11,723.9	10,886.4
1999	103,489.8	4,312.1	38,808.7	12,073.8	12,073.8
2000	113,630.5	6,740.8	44,296.6	12,518.6	14,444.6
2001	160,209.1	9,503.9	62,454.3	17,650.2	20,365.6
2002	138,993.5	13,168.3	72,978.4	20,336.7	20,497.2
2003	146,122.5	13,645.1	76,240.6	20,960.0	24,772.4
2004	147,380.4	18,013.0	84,076.4	22,022.8	32,409.8

1/ Revised 2/Provision

Source: Federal Office of Statistics/Central Bank of Nigeria in CBN Statistical Year Book. 2004.