



Review Article

Poverty Eradication through Agricultural Practices for Better Economic Growth in Nigeria

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Abstract

Poverty could be seen as a phenomenon in Nigeria, where one is under the state of being inferior in quality or insufficient in amount. Over the years, the Nigerian government has been trying their utmost best in eradicating poverty by introducing a series of poverty eradication programmes geared towards improving the quality of people's life. The effort already put by the government is only felt by the very few people considering the nation's population. The present population of the country which makes Nigeria the seventh most populous nation in the world and the first in Africa calls for a great concern. For this reason, there is a need to encourage government to put more effort in eradicating poverty through empowering the people by considering agriculture as the only alternative in growing the nation's economy. This paper tends to discuss the need for government to speed up in their plan in diversifying the nation's economy into agriculture for the purpose of providing Nigeria a better economic growth.

Keywords: Poverty, people, country, eradication, agriculture, sector

Received: 18/05/18

Accepted: 01/08/18

Introduction

Nigeria as a Country

Nigeria is a country that is located within the tropics and therefore experiences high temperatures throughout the year. The average maximum temperatures vary from 32°C along the coast to 41°C in the far north, while mean minimum figures range from 21°C in the coast to below 13°C in the north. The climate of the country varies from a very wet coastal area with annual rainfall greater than 3,500 mm to the Sahel region in the north western and north eastern parts, with annual rainfall less than 600 mm (Oyakhilomen and Zibah, 2014). Nigeria is a vast agricultural country endowed with substantial natural resources and an ecological diversity which enables the country to produce a wide variety of crops and livestock, forestry and fisheries products (Arokoyo, 2012). The country has a land mass of about 98 million hectares, out of which 83 million hectares are suitable for cultivation, but with only 30 to 34 million hectares presently under cultivation (Ashaye, 1983; Oni, 1996; FMA, 2001; EEPC, 2003).

According to Bakare (2013), Nigeria is divided into seven agro-ecological zones; i.e. semi-arid, found only in the northern region; the savannah, found in the northern and middle region; a small highland area found in the middle and southern region; a larger transition environment of savannah derived from the forest overlapping the southern and middle regions; mangroves in the Niger Delta; freshwater swamps in the Niger Delta and Lowland rain forest in the south. Two major production systems dominate these zones: (i) the traditional production system, which is found in all parts of the country and consists of land holdings of less than 2 ha (Obinyan, 2000) with a variety of food crops intended for consumption purposes mainly and (ii) the improved irrigation production system which comprises the improved small scale irrigation using low-lying or water logged areas for crop and livestock production as well as large-scale mechanized and/or commercial irrigation farming systems.

The importance of increasing government spending for agriculture has been recognized by African leaders as a fundamental pre-requisite for achieving a 6% annual growth rate in agricultural GDP, a goal that has been adopted by NEPAD through the Comprehensive Africa Agriculture Development Programme (CAADP).

This paper tends to discuss the need for government to speed up in the activation of their plan in diversifying the nation's economy into agriculture as one of the options needed to eradicate poverty in order to provide Nigeria a better economic growth.

Agricultural Sector of Nigeria

The agricultural sector of Nigeria, according to Kasali (2018) is made up of four sub-sectors namely, crops, livestock, fisheries and forestry subsectors. The crops, livestock, fisheries and forestry subsectors of the Nigerian agricultural sector contributed 85%, 10%, 4% and 1%, respectively, to agricultural GDP. The crops and livestock subsectors have maintained their shares in recent years, while the fisheries have been expanding and the forestry shrinking. Growth performance in the crops sub-sector drives overall growth performance in agriculture. Among Nigeria's food staples, cereals account for the largest share of cultivated areas while roots and tubers account for the largest share of production due to their much higher yields per unit land area. Millet and sorghum, which are drought resistant crops, are grown in the northern part of the country while the growth of maize and rice, which require more moisture, are concentrated in the middle belts. Yam and cassava are grown extensively in the humid southern part of the country. In the Nigerian agricultural sector, the major crops grown in the country are cowpea, sesame, cashew nuts, cassava, cocoa beans, groundnuts, gum arabic, kola nut, maize (corn), melon, millet, palm kernels, palm oil, plantains, rice, rubber, sorghum, soybeans and yams. These crops have commercial potentials of boosting the economy if mechanized through the use of modern techniques and equipment.

The Nigerian small-scale farmers are estimated to account for the cultivation of about 90% of the total cultivated land area in Nigeria, producing nearly 90% of total agricultural output (CTA, 1997). According to Oni (2011), the Nigerian agriculture sector is an industry of perpetual toilage and indignity, plagued with drudgery, aged and ageing farming population. These small-holder farmers therefore remain impoverished, still depending on manual labour to carry out their various farming operations. Anigbogu et al. (2015) reported that Nigeria is largely endowed with natural resources that are necessary for the development of agriculture.

POVERTY REDUCTION THROUGH AGRICULTURAL PRACTICES

In the words of Adam Smith (1776), 'No society can surely be flourishing and happy of which by far the greater part of the numbers are poor and miserable'. Therefore the elimination of poverty is very important. Poverty, according to Oladeji and Abiola (1998), is a ravaging economic and social phenomenon that manifests in the ability to acquire the basic necessities of life needed for a decent living in low self-esteem and in the absence of the means for self-actualization.

Globally, extreme poverty continues to be a rural phenomenon, despite increasing urbanization. Of the world's 1.2 billion extremely poor people, 75% live in rural areas and for the most part they depend on agriculture, forestry, fisheries and related activities for survival (Anríquez and Stamoulis, 2007). In Nigeria, 54% of people lived relatively below poverty line of two-third of per capita households expenditure, while 22% lived below the extreme relative poverty line of one-third of per capita household expenditure in the year 2004 NBS (National Bureau of Statistics).

World agricultural productivity, particularly in poor countries, is the key to global food security and the fight against hunger and poverty (Von Braun et al., 2008). Agriculture remains the leading non-oil sector of the economy, supporting about 60% of the population directly and providing nearly 70% of non-oil export (CBN, 1998). Agriculture contributes to poverty reduction because it provides employment to the poor, who have also generally low skills and education. Growth in agriculture also contributes to a greater supply of food-stuffs and lower food prices, and benefits both rural and urban poor (Grewal and Ahmed, 2011). In most poor countries, especially in sub-Saharan Africa, large majorities of the population live in rural areas and earn their livelihoods primarily from agriculture (Gollin, 2009). It was established that agricultural production was positively related to economic growth in Nigeria and the relationship was significant both in the long run and in the short run.

FACTORS AFFECTING AGRICULTURAL PRODUCTION ACTIVITIES IN NIGERIA

The Nigeria economy has been described by researchers as an agrarian economy where agriculture plays crucial role in the nation's socioeconomic transformation, apart from being the source of food to the people, it is the greatest employer of labour and provider of incomes, sources of industrial raw materials, and export products for foreign exchange earnings, and has in the past been an important provider of resources for investments in other sectors of the economy (Anyanwuocha, 2006). In the literature of agricultural production in Nigeria, agriculture has been described as the most important economic sector in terms of its contribution to the GDP, after oil (Bakare, 2013; Enoma, 2010).

Nigeria has not been able to attain self sufficiency in food production due to lack of mechanization and the small scale nature of production. The country is among the countries in Sub Saharan Africa that experience significant food shortages as over 40% of the country's population is estimated to be food insecure (Mariya-Dixton, 2004).

Agriculture in Nigeria is plagued by many problems. Food production is still mainly in the hands of peasant farmers who are involved in the day to day struggle for subsistence and with great drudgery in wresting enough from the soil to keep themselves alive (Oladoja et al., 2005). Farmers are faced with storage and processing facilities problem for safe keeping of products especially perishable products at the peak of the season. Rural communities lack basic amenities such as electricity and portable water. This has increased the rural-urban drift to enjoy basic things of life.

The food shortage problem is indicative of the high food import bills, consistent rise in domestic food price, high annual growth rates of food demand when compared with food supply and nutritional problems among others (Fawole and Oladele, 2007). The problem of food shortages and insecurity is exacerbated when we consider the fact that food production in Nigeria is in the hands of small scale farmers who practice mixed cropping system and cultivate between 1-2 hectares of farm land which are usually scattered over a wide area (Fawole and Oladele, 2007; Obasi, 2007). In addition, the productivity of these farmers is often affected by factors such as age, cropping patterns, years of farming experience, and lack of access to credit which tend to impact negatively on productivity and efficiency. According to FACU, (1992); FDA, (1993 and 1995), despite all human and material resources devoted to Nigerian agriculture, the productive efficiency of farmers for most crops still fall below 60%. The inefficiency problem is attributed to factors such as use of low input technologies, lack of knowledge of high input technologies and poor farm management skills, poor extension services, unavailability and high cost of inputs (Obasi, 2005; Anyanwu and Obasi, 2010a and 2010b).

EFFORT OF NIGERIA GOVERNMENT IN ENHANCING AGRICULTURAL PRODUCTIVITY

The Nigerian government in realization of its responsibility to ensure enough food for both local consumption and export purposes designed a number of projects and programmes. Some of these projects and programmes include:

- i. National Accelerated Food Production Programme (NAFPP): This programme was launched in 1973 to accelerate the production of food crops.
- ii. The Operation Feed the Nation (OFN): This programme in 1976 which actually mobilized people psychologically into awareness of food problem did not result in any appreciable increase in food production.
- iii. The Green Revolution Programme: The programme commenced in 1980 as an initiative of the then Federal Government. The importance of the agricultural

- sector in reducing poverty and serving as an engine of growth was demonstrated throughout the Green Revolution in Asia, particularly in India and China. Africa cannot bypass this developmental pathway, as the bulk of the African population lives in rural areas.
- iv. The River Basin Development Authorities: It was established in 1977 to undertake schemes for the control of floods and erosion, construction of dams, dykes etc. to enhance irrigation schemes for food production.
 - v. Agricultural Development Programmes (ADPs): The programme was sponsored by the World Bank, the Federal Government and State Governments. This programme started with a pioneer scheme in Gusau, Funtua and Gombe, Bida, EkitiAkoko, Lafia, Ayangba, Ilorin and Oyo North and is now established in all states of the Federation. It is about the most successful programme providing Unified Agricultural Extension Services, but is now being short funded. Evaluation of all the programmes has revealed duplicated of efforts with on-going and dying the way of others (Durojaiye, 1997).
 - vi. The Directorate of Foods, Roads and Rural Infrastructure (DFRRI): It was established in 1986 as an enabling facility management organization to coordinate and streamline all rural development activities in the country and accelerate the pace of integrated rural development. It was designed to act as a policy catalyst for the development of the rural areas.
 - vii. The Better Life Programme (BLP): It was established in 1987. Its main focus was the rural areas and the programmes covered health, agriculture, education, social welfare and cooperatives. The cooperatives were supported in terms of access to credit facilities from People's Bank. However, during the Abacha regime, the programme was re-named Family Support Programme (FSP) with greater emphasis on the health component. The Family Economic Advancement Programme (FEAP) was established to stimulate economic activities by providing loans directly to Nigerians through cooperative societies and informal associations. The change of focus from BLP to FSP and then to FEAP was the major albatross of poverty reduction efforts during this era.
 - viii. Agricultural Credit Guarantee Scheme Fund (ACGSF): This scheme was established in 1978 by the Central Bank of Nigeria (CBN). The objective of the Scheme is to encourage commercial banks to lend to those engaged in agriculture by providing guarantees for loans granted by such banks for crop and livestock production, processing and marketing. The specific objective of

the Scheme has been the stimulation of credit for agricultural production for both domestic consumption and export, it is particularly focused on ensuring that banks are favourably disposed to financing the sector. Olaitan et al. (2016) reported that the total loans guaranteed from inception in 1978 to December, 2014 was 929,472 valued ~~₦~~88.905 billion. The intervention of the Central Bank of Nigeria in the agriculture sector has stimulated the creation of jobs both directly and indirectly. The ACGS intervention has led to the creation of a total of more than 929,472 direct jobs and 3.4 million indirect jobs.

- ix. Anchor Borrowers Programme (ABP): The scheme was established in November 2015 by CBN. As at February 2018, a total of ~~₦~~55 billion has been disbursed by CBN to over 250,000 farmers under the scheme. ~~₦~~44 billion out of the ~~₦~~55 billion disbursed by CBN went to the rice farmers alone. The scheme was designed to create economic linkages between farmers and processor, not only to ensure increased agricultural output of rice and wheat, but also to close the gap between production and consumption.

WAY FORWARD AND CONCLUSION

The majority of the rural poor depend greatly on agriculture as a strong means for survival. This tends to improve the agricultural production condition of the nation as it tends to solve the problem of food security which over the years has made the country to be seriously involved in the business of food importation in feeding her ever-teeming population. This has cost the government a lot of money running to several trillions of Naira which could have been channeled towards improving the nation's infrastructure projects that is considered weak when compared to what is attainable in other developed nations of the world.

Is a good thing that the present administration of President Muhammadu Buhari led government is making tremendous efforts in diversifying the country's economy to agriculture. This idea of government should be embraced as a welcome development towards promoting an economic growth that translates into poverty reduction, enhanced food security, health status, educational capacity and empowerment of youths and women in rural Nigeria. From all indications, it has proved that the agricultural sector has a lot to provide in the area of alleviating poverty and providing food security for the entire masses. Government should be encouraged to design pro poor policies that will alleviate poverty and make the agricultural sector the driver of

the economy once again in Nigeria so that the benefits of economic growth will be felt by the citizenry of this country.

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