

THE DEVELOPMENT OF NIGERIAN AGRICULTURE: SUGGESTIONS FOR THE FUTURE

A. Osuntogun, P. Chasse and R. Ugorji, eds, 233pp, 1986. Societe General Bank (Nigeria) Limited

The current economic problems, especially those arising from balance of payments, declining oil fortunes and the need for export diversification through agriculture have made a review of this book more imperative now than before.

The book is a collection of twenty-two (22) papers presented at three symposia sponsored by the Societe Generale Bank (Nigeria) Ltd. in October, 1984 on "The Development of the Nigerian Agriculture: Suggestions for the Future". The symposia served as a forum which brought together participants from the public and private sectors, including farmers, industrialists, government officials and researchers.

The objective was to evaluate the state of Nigerian agriculture, identify major pitfalls and obstacles to development, and suggest workable solutions. The papers are grouped into seven parts:

- (i) Problems of Nigerian Agriculture;
- (ii) Crop and Livestock Development;
- (iii) Marketing of Agricultural Products;
- (iv) The Development of Agro-based Industries;
- (v) Agricultural Research and Training;
- (vi) Financial Institutions and the Development of Nigerian Agriculture; and
- (vii) International Experience.

Two papers were presented in Part I. Firstly, Moyart in his paper, identified the problems facing Nigerian agriculture as rapid population growth, psychological resistance to change, lack of reliable information and statistics on agriculture that can aid proper planning, excessive government interventions and the urge to invest in gigantic white elephant projects. He suggested the need for cross fertilisation of ideas between government and all those concerned with agriculture on how to solve these problems. He also enjoined banks to contribute to a special fund for conducting research, offer management training opportunities to farmers and ways to attract foreign capital.

Secondly, in his paper on "Small and Large Scale Farms in Nigeria", Baulin compared traditional and commercial agriculture. He concluded that given the rate of labour drift from rural areas to the urban centres and the relative inefficiency of small scale farming system, emphasis should shift to mechanised commercial agriculture. He called for reforms in the land tenure system in order to pave way for commercialisation of the Nigerian agriculture.

Overall, Moyart and Baulin discussed in detail, the sociological factors which impeded the Nigerian agriculture. However, their papers did not touch on the core problems which are mainly technical and economic. The technical problems include low productivity resulting from the use of crude techniques of production. This can only be obviated by evolving or adapting new technologies that can shift the production frontiers of agriculture from its current stagnant and inelastic level. The area of emphasis should be biological, chemical and human innovations such as high yielding, disease resistant varieties of seeds and animals, pesticides and vaccines for the prevention of field and post harvest losses of crops and animals. The economic problem revolves around the economic viability and profitability of farm

investments based on the recommended farming system. For a labour surplus, land scarce economy like ours, commercialisation based on capital intensive methods may yield undesirable results. It will not only compound the current unemployment problem, but also prove financially infeasible, as it may become very expensive both in terms of scarce foreign and domestic resources. Emphasis should therefore be placed on adaptive research to evolve technology with a "human face". These are extensive small scale, non-labour displacing technologies that are within the reach of small farmers.

Part II of the book, which focuses largely on crops and livestock development, is made up of six papers on fruit farming, livestock and animal production and the potentials of the Mambilla Plateau. The authors, Oseni, Rathnam, David-West, Tacher, Nawathe and Igben identified the main problems of production in these subsectors to include the use of inefficient techniques, inadequate funding, poor infrastructures, poor marketing and pricing system. The solutions suggested by the authors include intensification of research to evolve high yielding and better varieties of seeds and animals, provision of the required institutional, social and most importantly, physical infrastructures such as good roads, processing and preservation techniques, markets, communication network, electricity, water and medical facilities. The authors suggested that a comprehensive insurance scheme should be established to bear the risks in agriculture and to make the sector attractive to lending institutions. This section also discussed the achievements of the National Veterinary Research Institute (NVRI) and the potentials of Mambilla Plateau. The NVRI contributed immensely to manpower development, research and the production of vaccines. With regard to the Mambilla it was recommended that for a full exploitation of it to take place, there is need to change the occupational structure of its society through the injection of new or secondary industrial sector, farm size adjustments to bring in large and medium scale farmers and the introduction of new crops such as wheat.

While the authors articulated the technical constraints and problems of the subsectors and proffered solutions the strategies for implementation were not articulated. For example, the authors tend to attach important role of motivating investments in agriculture on parastatal institutions which have been found to be inefficient. Moreover, in an era of structural adjustment when government intervention in direct productive activity is being deemphasised what the authors should have called for is public investments in social overhead cost. Perhaps the authors' recommendations would have been different if the papers were to be written in the post SAP period.

In Part III, Oni, *et. al.* and Famoriyo discussed marketing and exports of Nigerian agricultural products. The papers focussed on the complexity of collection, distribution and pricing system with special emphases on the relative importance of physical, organisational and environmental nature of transactions such as availability of rural bulking centres, storage, processing, transportation and credit facilities.

Famoriyo noted that the deterioration in exports cannot be unconnected with environmental and defective government policies, especially those relating to payment of unattractive producer prices. The suggested solution to these problems include provision of markets, improved market reporting services and provision of adequate price incentives which will stimulate production.

Overall, the papers in this section x-rayed the economic and infrastructural constraints to efficient marketing and export of Nigeria's agricultural produce, and made useful suggestions on how to overcome them. Incidentally, since the introduction of the Structural Adjustment programme (SAP), in July 1986, most of the recommendations which are aimed at boosting the economy's non-oil exports have since been implemented by the government. However, their relative efficacy is yet to be precisely ascertained.

The main focus of Part IV is the Development of Agro-Based Industries. Two papers were presented by Koleosho and Nwathe. Koleosho discussed the feasibility of establishing a number of agro-based industries such as sugar mills, vegetable oils, tanning, paper and pulp, cassava, fruits, vegetable processing and flour mills. He stressed that underdevelopment of primary agricultural production is responsible for the slow rate of growth of agro-industries. He therefore suggested solutions which will lead to the enhancement of primary production that will serve as raw materials for agro-based industries. The author however failed to recognise that the viability of agro-based industries depended on a number of backward linkage inputs other than agricultural products alone. These include items ranging from infrastructural facilities to the availability of cheap, affordable, workable, processing and packaging technology. If these are to be imported or not available, even in the face of surplus agricultural raw materials, the proposals made by the author will not be feasible.

In his paper on "Commercial Production of Biologics" Nwathe pointed out that 80-90 per cent of Nigeria's vaccines and diagnostic reagents are imported. He called on the government to provide appropriate incentives such as reduction in import duties, tax holiday and other measures to attract foreign investment on local production of biologics in the country.

Part V is concerned with agricultural research and training and it is made up of four papers by Oyekan, Poulain, Olugbemi and Srzendnicki. The problems of agricultural research were outlined, including manpower constraints, lack of commitment by the government, lack of research infrastructures and facilities, and disregard by most researchers of the socio-cultural factors that influence farmers when carrying out basic agricultural research. The philosophy and goals of the French approach to research and agricultural education was discussed by Poulain, while Olugbemi made a number of suggestions that will enhance the training programmes for agricultural engineers. Srzendnicki discussed the essential elements of a feasibility report.

In all, emphasis on adaptive research and training seemed to be the focus. But the authors did not identify specifically the areas of research that will be more meaningful to the country at its present stage of development. It is my opinion that research emphasis should be directed on evolving extensive technologies based on factor endowments such as high yielding varieties of seeds, better cropping and breeding patterns, production of vaccines and biologics, and

motorised small tools that can reduce the drudgery in small scale farming and which is within the reach of farmers.

Financial institutions and the development of the Nigerian agriculture is the theme of Part VI which is made up of two papers presented by Palmer and Williams. Palmer discussed the Agricultural Credit Guarantee Scheme Fund (ACGSF) which was established in 1976 to provide the required collateral for loans granted to agriculture by commercial and merchant banks. He maintained that lending under the ACGSF has not been very successful due to several factors including loan diversion, general lack of desire by the banks to lend to agriculture, and the unattractive interest rates. The suggested solutions include disbursement of loans in kind, especially for infrastructures and other inputs and closer cooperation between the government and financial institutions so as to enhance compliance with national credit policies. Williams discussed the feasibility of establishing a viable rural financial market which stresses lending in kind. Key elements of such credit system will be the provision of the right technology, extension service, training programmes for farmers, research and the establishment of rural banking facilities.

Strengthening rural financial markets through the suggested strategy should be considered with caution. This is because the approach through development banking have often led to non-viable, unco-ordinated and fragmented financial markets which provide little or no service to rural residents and are often riddled with politics. Nationalisation of lending institutions and regulation of interest rates and other financial policy instruments all go to compound the problems. Moreover, credit given in kind is prone to abuse, especially so when there is little or no interaction between the financial markets and the commodity markets.

A discussion of the international experience is the focus of Part VII. It is made up of four papers by Vallen and Pincon, Osuntogun and Fabiyi, Maignan and Pendleton. Vallen and Pincon examined the effects of oil boom on the agricultural sectors of three development countries viz: Nigeria, Indonesia and Mexico. They concluded that the declining domestic food output, food price inflation, high level of food imports and consequently the balance of payments problems being experienced by these countries are traceable to the neglect of agriculture in the face of booming oil exports. Osuntogun and Fabiyi examined world agrarian crisis with particular emphasis on low-income countries of Africa. These countries, they concluded, must address the problems of population explosions and slow growth rates of agricultural outputs. They stressed the need to evolve a technology that can change the production frontiers of agriculture. They recommended the "right" mix of macro policies which will result in an improved performance of the agricultural sectors. These include increased government investment in agriculture, provision of price and tax incentives, promotion of private domestic and foreign investment and investment in capital formation and training.

Perhaps what should have been suggested is structural adjustment policies rather than stabilisation measures. However, these should be done with caution, given the fact that adjustment experiences of most developing nations have not been laudable. Pricing system have not served as a useful tool for allocating resources efficiently due to the rudimentary nature of both money, and product markets, coupled with lack of viable technology.

In conclusion, the book is very useful. It contains a lot of information on the problems and prospects of the Nigerian agriculture and will serve as a useful reference material for scholars and researchers.

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