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Diversification of the Nigerian Economy: towards a Sustainable Economic Growth and Development

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Abstract

Nigerian economy is mono-cultural, depending on a single commodity–oil. Other sectors of the economy have been relegated to the background, while the management of oil revenues has proven inefficacious in driving the economy to bring about the needed level of development. This scenario has serious negative implications on the nation's development calculus, as after five decades of exploration activities, a good percentage of Nigerians live in abject poverty, unemployment is double-digit and productivity is at its lowest ebb. Given this scenario, the study seeks possible ways of diversifying the productive base of the Nigerian economy. Using descriptive method of analysis, it is revealed that considering Nigeria's peculiar circumstances and the successes recorded before the advent of oil, for Nigeria to break loose from the problems inherent in a monotype-economy, especially one largely dominated by oil, which is subject to depletion, international price shocks and unfavourable quota arrangement, there is need for diversification. Agricultural suggested as possible options for diversifying the Nigerian economy. Drawing from the implications of the study, certain recommendations, which include among others, improvement of hybrid species (both plant and animal), provision of complementary inputs, and direct involvement of government in the business of agriculture?

Keyword: *Agriculture, Diversification, Nigeria, Oil*

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Background to the Study

Nigeria is the largest oil exporting country in Africa and has a rapidly growing economy. The country follows a resource based growth strategy driven by the production and exporting of oil. With the volatility of global oil prices and often volatile growth of Nigeria's economy, the country has wasted much of its opportunities to break away from underdevelopment despite its massive natural and human resources endowments. It has dwelled only on its huge crude oil resources as the major source of revenue, driving a monolithic economy for years in spite of the enormous developmental challenges it faces. Regrettably, the oil resources are being mismanaged and a substantial part of it has gone on rent seeking and red-tapism common in Nigerian bureaucracy. For more than a decade now, Nigeria has been enjoying high levels of economic growth, human development, and relative political stability. As it continues along the path of economic progress, it is imperative that the country finds ways to diversify its economy by boosting nontraditional sectors, expanding its range of products for exports and engaging new economic and trade partners.

The economic nerve center of Africa shifted northward when Nigeria took South Africa's long-held position as the country with the continent's largest Gross Domestic Product (GDP). While GDP neither reflects the wealth distribution nor accounts for the size of the population, it is a significant indication of Nigeria's emerging economic power. If these growing resources are invested intelligently, the country can benefit and exceed the International Money Fund's estimated GDP growth of seven per cent in past years. As a matter of priority, Nigeria government must encourage the diversification of Nigeria's economy. It is the only viable way to survive the current environment of global economic uncertainty with the volatility of oil price. It is crucial that government do not believe that oil provides an endless source of revenue. At the advent of democracy in 1999, Obasanjo's first full national budget in 2000 was under N600bn naira but now we have as much as 80% increase over this, yet we can only see little development but surplus of preaching's and governance by billboards while vision 20-2020 is in a state of rest like Newton's first law of thermodynamics. We say unequivocally that resource looting and wastage is much concentrated at the state levels, because most of our Governors are not just most wanting but problematic and the very impediment to development.

Diversification presents the most competitive and strategic option for Nigeria in light of her developmental challenges and given her background. Diversification has a lot of benefits for Nigeria to maximally utilize her abundant resource – base to rebuild the economy and enjoy the benefits of all the linkages, synergy, economies of scale, grow national technology and foreign investment profile, build human capital, exploit new opportunities, lessen averagely operational costs, increase national competitiveness and grow the standard of living and confidence of the citizens for national renaissance.

Diversification does not occur in a vacuum. And, the need to have in place an enabling environment to make diversification possible remains necessary. A number of key drivers have already been identified. These, for example, include investment, trade and industrial policies; a dynamic growth performance; macroeconomic stability; a competitive exchange rate and expansionary but responsible fiscal policy as well as institutional variables such as good governance and absence of conflict and corruption.

However, Nigeria has made some effort towards achieving economic recovery, the full-anticipated benefits are far from being realized. Various studies such as those by Onoh (1973), Iniodu (1995) and Olakitan (1998) unanimously point to the deviation away from the non-oil sector of the economy to a mono-economy largely dominated by oil, as responsible for the despicable performance recorded by the Nigerian economy over the years.

The near total dependence on a mono product (oil), which operates on a quota system, has rendered the Nigerian economy vulnerable to fluctuations in world prices of petroleum and its products (Iniodu, 1995). The diversion of attention from agriculture–which was once the mainstay of the economy, came because of the favourable oil shocks of 1970s. This ushered in the era of 'oil boom.' As submitted by Adubi (2004), this popular Dutch disease syndrome made agricultural products less competitive and led to importation of cheap agricultural food and capital items. Albeit so much has been said regarding the compelling need for Nigeria to urgently diversify its economy, there is paucity of research in this area. More so, inadequate study has been incorporated in tourism–which is a thriving sector in Nigeria, as an option for diversifying the economy.

Despite abundant natural and human resources, Nigeria remains a poor country. Up to the end of the 1960s, the country was self-sufficient in food production and even a net exporter of agricultural produce. Since the early 1970s however, as oil became a major foreign exchange earner and contributor to GDP, other sectors of the economy especially agriculture and tourism, have been relegated to the background. The result is that the non-oil sector of the economy has stagnated, while crude revenues have not been managed effectively to stimulate desired growth levels and sustainable economic development(Sunday, Clement & Eteng, 2013).

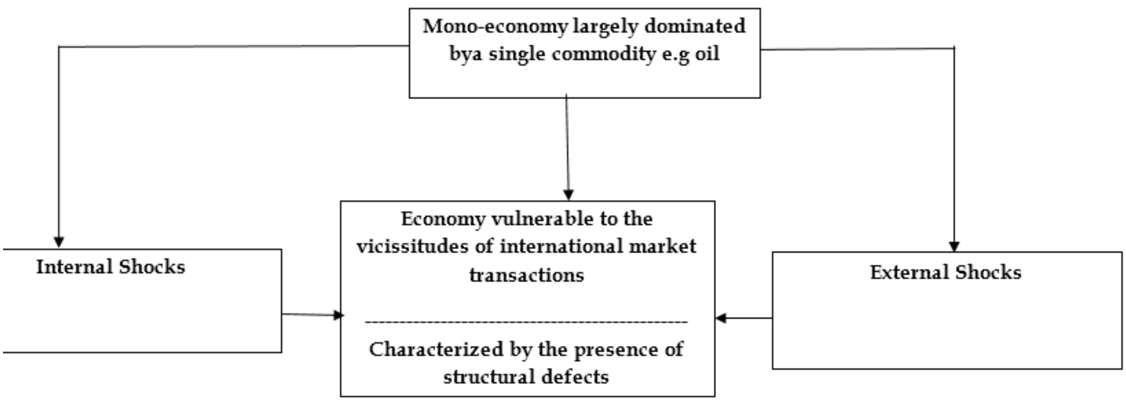
The objective of the study was to examine two sectors of the Nigerian economy (agriculture and tourism) which when applied into practice will boost the overall Gross Domestic Product (GDP) of the economy rather than depending on the oil sector alone.
Therefore, using the descriptive approach, this study aims at fillingthis research gap by taking a sweeping look at the agricultural sector which is crucial for diversifying the nation's economy.

Litrature Review

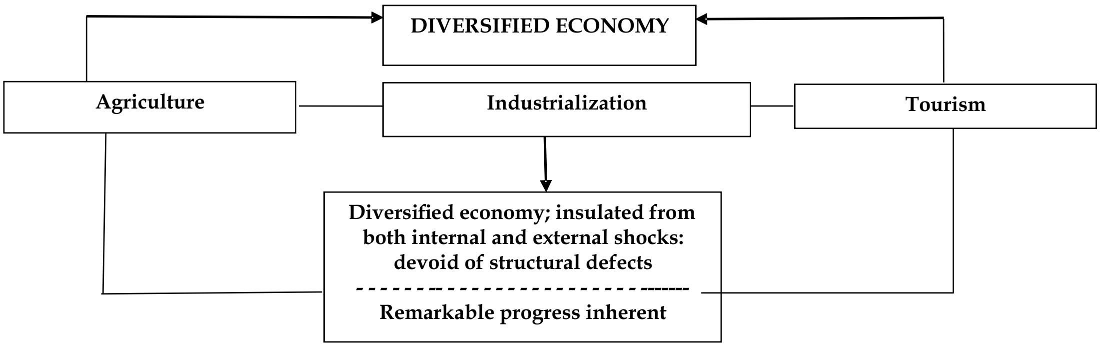
Conceptual Framework

Diversification implies "movement into new fields, stimulation and expansion of existing traditional products." Diversification does not discourage specialization, but requires that resources be channeled into the best alternative uses (Ayeni, 1987; Iniodu, 1995). In macroeconomic planning, diversification promotes growth and development through the mobilization of savings from surplus sectors for use in the development of deficit sectors of the economy. Options for diversifying an economy abound, such as agriculture, entertainment, financial services, industrialization, information and communication technology, tourism, etc. However, it is worthy to note that country-specific circumstances ought to as a matter of necessity, be considered. This is cogent, since due to structural differences, a model that fits an economy perfectly well may prove irrelevant in another. With a major objective of diversifying the productive base of the Nigerian economy with a view to reducing dependence on the oil sector, this study zero in on 'agriculture' and 'tourism,' as imperatives. The choice of this dual approach is informed by the huge successes recorded by some Asian countries–which are collectively referred to as 'Asian Tigers'–in applying these imperatives, as well as the fact that these countries were basically at the same level of national development with Nigeria, at the time of their respective take-off and still share certain similarities with Nigeria. The effects of diversification in an economy (if properly carried out), is represented in Figure 1.

Panel A



Panel B



The above schema paints a picture of possible effects of diversification on an economy. It is explicit as shown in *panel A* that dependence on a single commodity, for instance, oil, in the case of Nigeria, the economy is prone to both internal and external shocks, which ultimately result in structural defects. As posited by Ayeni (1987), the reason for such defects is anchored on the fact that in the event of any deficit, there will be no other sector(s) to mobilize surpluses for use by the deficit sector(s). Given the shift (total or partial)–but in most cases partial, away from a single item to other sectors of the economy (i.e. agriculture and tourism) as reflected in *panel B*, the economy tends to be insulated from shocks. Assuredly, the economy becomes devoid of structural defects and *ceteris paribus*, this brings about an appreciable level of progress. An in-depth analysis of the two sectors heretofore mentioned is presented in the ensuing sections.

Empirical Studies

Studies and mathematical models have shown that maintaining a well- diversified economy will yield the most cost-effective level of risk reduction and economic growth in a country. Samuelson (1968) in describing economic diversification as an act of investing in a variety of assets, mentioned its benefit as that which reduces risk especially in the time of recession, inflation, deflation etc.

Economic diversification strives to smooth out unsystematic risk events in a portfolio so that the positive performance of some investments will neutralize the negative performance of others. An empirical example relating economic diversification to risk reduction and economic growth was a research carried out by Elton and Gruber (1977). They worked out an empirical example of the gains from economic diversification. Their approach was to consider a population of 3,290 securities available for possible inclusion in a portfolio, and to consider the average risk over all possible randomly chosen n-asset portfolios with equal amounts held in each included asset, for various values of n. Their result shows that most of the gains from diversification come for n≤30which indicates continuous economic growth.

Table 1.

Number of Stocks in Portfolio	Average Standard Deviation of Annual Portfolio	Ratio of portfolio Standard Deviation to Standard Deviation of a Single Stock
1	49.24%	1.00
2	37.36	0.76
4	29.69	0.60
6	26.64	0.54
8	24.98	0.51
10	23.93	0.49
20	21.68	0.44
30	20.87	0.42
40	20.46	0.42
50	20.20	041
400	19.29	0.39
500	19.27	0.39
1000	19.21	0.39

Source: http://en.wikipedia.org/wiki/diversifcation_(finance)

Oliner and Sichel (2000), Jorgenson and Stiroh (2000) and Whelan (2000) used endogenous growth model to study the implication of growth rebound in the US economy. Their findings support the assertion ofimproving economic diversification through other means like information technology which they see as the main sources of the rebound; hence the role of technological progress in agriculture cannot be underestimated.

Other researchers like Young (1995) applied the same framework and discovered that the higher growth of output in the newly industrialized countries of East Asia than the rest of the world is almost entirely due to rising in economic diversification which increases labour force participation and empowerment in labour quality (through knowledge accumulation) and not attributable to rapid technological progress. Adebayo (1999) noted this when he said that the neglect of agriculture, the rural economy and the concentration of economic activity in the oil sector was the cause of the current scarcity of raw materials, which has led to heavy imports of raw materials and foodstuff. Muttaka (2015) examined the effect of Nigeria's oil dependency on economic growth. He observed that Nigeria has wasted much of its opportunities to break away from underdevelopment despite its massive natural and human resources endowment due to heavy reliance on her huge crude oil resources, regrettably mismanaged, as the major source of revenue. He identified and discussed on some key drivers of economic diversification such as investment, governance and regional dimensions of economic diversification as well as human and natural resources. He maintained that of all the other drivers, good governance remains a prerequisite in building an enabling environment for such diversification.

Onucheyo (2001) earlier predicted the fall in oil prices, when he pointed out that in the 21st century nuclear, solar, and geothermal and other energy sources will be sufficiently developed to meet most of the world's energy requirements. A situation which, according to Onucheyo(2001) raises fears for Nigeria's oil powered mono-cultural economy. Onucheyo (2001) maintained that Nigeria's position in the 21st century will not depend on its oil, but the development of its agricultural sector and related human resources. Egunjobi (2012) assessed the impact of urban unemployment on economic growth using co-integration and the error correction mechanisms. The research was of the opinion that income, government expenditure and investment in human resources had direct impact while urban-unemployment rate had an indirect impact on economic growth. Hence, he recommended investment in human resources.

Nonetheless, this research has really filled a knowledge gap by studying two important macroeconomic variables: agriculture and tourism management in Nigeria. Other researches already carried out were done with variables like agriculture or human resources separately, but this study has filled a gap by combining the two variables. Hence, agriculture and tourism is needed to compliment capital for the inducement of growth in the long run and increase in the standard of living.

Agriculture

Agriculture involves the cultivation of land, raising and rearing of animals for providing food for human consumption, raw materials for industries and feed for animals. It is composed of crop production, livestock, forestry and fishing.

Agriculture was the mainstay of Nigeria up to the period oil was discovered in commercial quantity, with the first export dating back to the 16th century when James Watt and his crew shipped 32 barrels of palm oil along with 150 elephant tusks and 589 sacks of pepper from Nigeria to England (NTJ, 1967:53). The place of agriculture in Nigeria's economy has remained critical over the decades. Prior to the political crisis of 1967-1970, agriculture's positive contributions to the economy were instrumental in sustaining economic growth and stability. The bulk of food demand was satisfied from domestic output, thereby obviating the need to utilize scarce foreign exchange resources on food importation. Stable growth in agricultural exports constituted the backbone of a favourable balance of trade. Sustainable amounts of capital were derived from the agricultural sector through the imposition of several taxes and accumulation of marketing surpluses, which were used to finance many developmental projects. A typical example is the first Nigerian skyscraper – the cocoa house in Ibadan, which was built with proceeds from the sale of cocoa. However, the crisis that developed in Nigerian economy during the civil war became more serious in the early 1970s, which coincided with the rising fortunes of the petroleum sector. From that period to date, agriculture's contributions to the economy became relatively insignificant. This development is reflected in rising food prices and inflation, increased imports of food and agricultural raw materials for local industries, a relative decline in agricultural export earnings and deteriorating living conditions in the rural areas. The sector, which employed 71% of the total labour force in 1960, employed only 56% in 1977. The number stood at 68% in 1980, falling to 55% in 1986, 1987 and 1988; and 57% annually from 1989 to 1992, and has continued to nosedive until date.

Ojo (1994) classified the problems associated with Nigerian agricultural development into six groups, namely: environment, land, labour, capital, technology, and marketing. The above constraints have implications for agricultural productivity in Nigeria. For instance, they make productivity in the agricultural sector very low. The fundamental problem is thus how to improve productivity.

The Role of Agriculture in the Economic Development of Nigeria

The traditional approach to the role of agriculture in economic development is formulated in terms of the contributions the agricultural sector can make or the functions it can perform during the process of economic development (Anyanwu *et al.*, 1997). As stated by Reynolds (1975), agricultural development can promote the economic development of the underdeveloped countries in four distinct ways by: increasing the supply of food for domestic consumption and releasing the labour force needed for industrial employment; enlarging the size of the domestic market for the manufacturing sector; increasing the supply of domestic savings; and providing the foreign exchange earned by agricultural imports.

According to Omawale and Rogrigues (1979), agriculture has been assigned an important role in national development by most developing countries. It has been seen as a means of reducing dependence on certain importations, containing food price increases, earning foreign exchange, absorbing many new entrants to the labour market and increasing farm incomes at times of severe unemployment and rural poverty.

Agreeing with the above views, Johnston (1970) submitted that the appraisal of agriculture's contribution or role in the national economy can be made using four criteria, namely: the proportion of the population engaged in agriculture; the share of agriculture in the Gross Domestic Product (GDP); the proportion of the nation's resources (other than labour) devoted to or employed in agricultural production; and the contribution of the agricultural sector to foreign trade. The ensuing section appraises some agriculture parameters as reflected in their contribution to the overall development of the Nigerian economy.

Appraisal of Some Agriculture Parameters

Agriculture and Employment

A World Bank Report (1970) puts it that the agricultural sector employed 71% of the total labour force in Nigeria in 1960. By 1977, this had dropped to 56%. It increased to 68% in 1980, before falling to 55% in 1985, 53% in 1986, 55% in 1987 and 1988, and 57% annually from 1989 to 1992.

This downward trend has continued into the 2000s. The fall in the labour force has been due to structural changes in the economy where other sectors are assuming different dimensions and engaging more labour than they previously did. It is necessary to point out that given the importance of labour in agriculture of most African countries including Nigeria, and the poor labour absorptive capacity of their industrial sector, rapid outflow of labour from the agricultural sector has generated not only social but economic problems as well. A partial consequence of high labour outflow, especially the youth labour force, whichEssien (2008) refers to, as “the life-wire of agriculture” from agriculture, has been a decline of agricultural production in Nigeria in recent years. Enhancement of agriculture, labour and productivity should therefore be a goal for the country.

Agriculture and Gross Domestic Product (GDP)

Table 1 shows the contributions of agriculture to GDP of Nigeria between 1960 and 2010. One of the dogmas of economic development–“that there is a secular decline of agriculture's share in the GDP in the course of economic development,” is manifested here. This is portrayed by the decline in the relative share of agriculture in GDP over the years.

Table 2

Year	Total GDP	Agriculture as a Share of GDP	Share of Agriculture As % of total GDP	Share of Agriculture as a % of Total GDP (Growth Rate)
1960	2,489.0	1,599.8	64.27	-
1965	3,146.8	1,742.2	55.36	-8.91
1970	4,219.0	1,887.7	44.74	-10.62
1975	27,172.0	7,639.4	28.11	-16.63
1980	31,546.8	6,501.8	20.61	-7.6
1985	201,036.3	65,748.4	32.70	12.09
1990	267,550.0	83,344.6	31.15	-1.55
1991	265,379.1	87,503.5	32.97	1.82
1992	271,365.5	89,345.4	32.92	-0.05
1993	274,833.3	90,596.5	32.96	0.04
1994	275,450.6	92,833.0	33.70	0.74
1995	281,407.4	96,220.7	34.10	0.49
1996	293,745.4	100,216.2	34.12	-0.07
1997	302,022.5	104,514.0	34.60	0.48
1998	310,890.1	108,814.1	35.00	0.4
1999	312,183.5	114,570.7	36.70	1.7
2000	329,178.7	117,945.1	35.83	-8.87
2001	356,994.3	122,522.3	34.32	-1.51
2002	433,203.5	190,133.4	43.89	9.57
2003	477,533.0	203,409.9	42.60	-1.29
2004	527,576.0	216,208.5	40.98	-1.62
2005	561,931.4	213,463.6	41.19	0.21
2006	595,821.6	248,599.0	41.72	0.53
2007	634,251.1	266,477.2	42.01	0.29
2008	672,202.6	283,175.4	42.13	0.12
2009	716,949.7	299,996.4	41.84	-0.29
2010	775,552.7	316,728.7	40.84	-1.00

Sources: (1) CBN Statistical Bulletin, Various Issues
(2) National Bureau of Statistics, Various Issues

As reflected on column 4 of table 1, the percentage share of agriculture to GDP has continued to nosedive starting from 1960–which has a value of 64.27%. 1980 recorded the lowest value of 20.61%. The period 2002 to 2010 recorded some improvements however, with the percentage share of agriculture in total GDP hovering around the 42.05% mark. The percentage growth rates of agriculture as a share of GDP shown on column 5, further confirms this downward trend. In spite of general decline witnessed during the period, some pockets of improvement as recoded by growth rates can be seen dotted here and there.

Past Efforts at Revamping Agriculture in Nigeria

Nigeria's agricultural policy objectives since independence in 1960 have been geared towards: (i) the achievement of increase in productivity; (ii) the achievement of self-sufficiency in food production; (iii) self-sustained growth in agricultural sector; and (iv) the realization of structural transformation. In pursuance of these policy objectives, government have adopted the following policies and projects.

Table 3.

S/N	PROJECT	COMMENCEMENT DATE	AREAS OF EMPHASIS
1.	Agricultural Development Project (ADPs)	1972	Extension, supply of input and infrastructure
2.	Reorganization of Agricultural Research	1973	Emphasis on agriculture research and the establishment of many research institutes
	Institute Decree 33		
	Research Institutes Establishment Order	1975	
	National Science and Technology Development Agency (NSTDA) Decrees	1975	
3.	National Accelerated food production (NAFPP)	1975	Food production, supply of inputs and new Project technology to farmers
4.	Tree Crops Programme	1975	Tree Crops Production
5.	River Basin Development Authorities (RDBAs) Decree 25 (Amended 1977,	1976	Direct government involvement in agricultural production activities, provision of water and 1979) irrigation to farmer settlement, supply of ferti- lisers and others
6.	Farm Inputs Subsidies and Fertilizer Subsidy Programme	1976	Supply of fertilizers and other inputs
7.	Strategic Grains Research Scheme	1976	Storage of grains
8.	Operation Feed the Nation	1976	Trying to make everybody a farmer (through subsidies on) fertilizers, livestock products and inputs, fisheries inputs, seeds, e.t.c., to increase production
9.	Nigeria Agricultural Co-operative (NACB)	1973	Establishment of guaranteed loans and other Bank credits to farmers
	The Rural Banking Scheme	1977	
	Agricultural Credit Scheme	1977	
10.	Commodity Boards Decree	1977	Establishment of commodity marketing boards e.g palm products, e.t.c
11.	The Green Revolution Programme	1980	The nation's food production plan
12.	Agricultural policy Initiative and Reforms		
	a. Directorate of food, Roads and Rural Infrastructure (DFRRI)	1986	Construction and repair of rural roads, provision of water and electricity to rural communities
	b. Streamlining of RBDAs' economic deregulation and disengagement of government from direct involvement in agricultural production	1986	Reduction in the number of River Basin Authorities
	c. Agriculture under SAP	1987	Engagement of small scale farmers
	d. Scrapping of Commodity Board	1987	Reduction of export of commodity
	e. Establishment of University of Agriculture Project (UNAAB, UAM)	1988	Promotion of agricultural education, research and training
	f. National Agricultural Land Development Authority (NALDA)	1989	For land clearing and mechanization
	g. State-wide Agricultural Development Project (SADPs)	1991	Promotion and adoption of new technologies by farmers
	h. Support for farmers' Association and the formation of Federation of Farmers Association of Nigeria (FOFAN)	1992	Encouragement of co-operative formation and pressure group
	i. Transfer of Agricultural Research Institutes from federal Ministry of Science And Technology to the Federal Ministry of Agriculture	1992	Government engagement in direct food production
	j. Withdrawal of fertilizes subsidies	Mid-1990s	Higher price of fertilizer
13.	Agricultural Policies under the Obasanjo Administration		
	a. Restoration of fertilizer subsidies at 25%		Encouragement of food production by small- and
	b. Establishment of Department of Fertilizer, **FMA**	1999-2002	medium-scale farmers
	c. Food security and Poverty Alleviation Programme		
14.	Agricultural policies under Vision 2007-Date 20-2020		Serve as youth employment spinner (especially youths in rural areas), improving productivity in The agricultural sector

Source: (1) Adapted from Ndon, (2002). With few modifications by (Sunday, Clement & Eteng, 2013).
(2) Federal Republic of Nigeria, Vision 20-2020 Blueprint

Challenges for the Future

The challenges of enhancing productivity while maintaining environmental soundness and attaining intergenerational equity is enormous for the low-input, resource-poor farmers of developing countries. Sustainable agriculture calls for educating farmers; emphasizing the long-term consequences of their traditional methods of agriculture; and helping them develop and implement innovative, appropriate farming practices. Appropriate incentives are essential. Without intensified financial and technical assistance, sustainable agriculture in developing countries will be untenable in the immediate future. This essential support could be considered an investment to ensure food security and social stability in the world. Because sustainable agriculture cannot be achieved overnight, institutional building takes on added significance. Many developing countries still do not have detailed information on the resource base; consequently, data bases must be developed and techniques instituted to monitor resources. Likewise, a cadre of highly trained professionals backstopped by adequate facilities is needed to conduct effective resource inventories.

Equally important is the creation of awareness. Private organizations are generally equipped to provide such services but must have funds to carry out their activities. As the world population increases, additional land will have to be cultivated, and this gives added importance to sustainable agriculture. Major causes of land degradation—overgrazing on rangeland, over cultivation of cropland, water logging and salinization of irrigated land, and deforestation—all result from poor land management and should, therefore, be able to be controlled. Although effective technologies that prevent or reduce land degradation either exist or are being developed, their application is still constrained by institutional and societal barriers. Lasting solutions can be rooted as much in social and economic reform as in effective technologies. In the Tropics, as elsewhere, the current prospects for institutionalizing development strategies for sustainable agriculture are unique challenges awaiting creative and committed solutions.

Conclusion

Nigerian economy has performed dismally since oil was first discovered in commercial quantities. Several attempts aimed at reversing this trend have been made but to no avail. Considering the inroads made during the non-oil era and Nigeria's peculiar circumstances, the authors proposed diversification of the economy–i.e. paying more attention to the agricultural sector of the economy as a necessary first step towards a more robust economy. It is argued that diversification has the tendency to promote growth and development through the mobilization of savings from surplus sectors for use in the development of deficit sectors of the economy. This is not possible in a monotype-economy.

Recommendations

The following recommendations are put forth.

Agriculture

i. Effort should be geared towards improvement of hybrid species (plant and animal) that are not vulnerable to vagaries of the weather. In addition, complementary inputs such as irrigation, fertiliser, insecticides, credit and agricultural extension services should be extended to local peasants and not merely to a few rich farmers.

ii. Since it is widely observed that land reform is a necessary first condition for agricultural development in most LDCs, it therefore behoves the Nigerian government to rigorously engage in land reformation. This would help to solve the problems associated with land tenure–especially agricultural land.

I. Living conditions in local communities, where agriculture is mainly carried out, should be improved. Amenities such as good road network, electricity, potable water, vehicles, etc., should be made available and accessible to the local people. This would help to check the problem of rural-urban drift, which often results in a limited supply of agricultural labour.

ii. Technological change and innovations in farm practices is imperative. Like in 'land reform,' new agricultural technologies and innovations in farm practices are preconditions for sustained improvements in levels of output and productivity, especially in LDCs.

v. Government should get more directly involved in the business of agriculture. Effort should be geared towards establishing large-scale government-owned farms in every state of the federation including the FCT, as a necessary first step, to augment the current shortfall in agricultural output, as well as the much needed leap to employment.

vi. The problem of research and development (R & D), which is largely lacking in the sector should be addressed. This could be achieved by setting up different R & D centres, where agricultural labour would be developed. The provision of machineries such as tractors, ploughs, harvesters, etc.; spare parts, storage facilities, credit/ soft loans to farmers, would go a long way to bring about the much-needed inroads in the agricultural sector.

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