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# DISCOURSE AND NARATIVE OF THE NIGERIAN ECONOMY: FROM THE AGRICULTURAL POLICIES PERSPECTIVE

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#### **ABSTRACT**

For decades, agriculture has been associated with production of essential food crops. At present, agriculture above and beyond farming includes forestry, dairy, fruit cultivation, poultry, beef keeping, mushroom etc. Today, processing, marketing and distribution of crops and livestock products etc. are all acknowledged as part of current agriculture. Thus, agriculture could be referred to as the production, processing, promotion and distribution of agricultural products. Agriculture is the backbone of economic system of a given country. In addition to providing food and raw material, agriculture also provides employment opportunities to very large percentage of population and a high potential for food security and poverty reduction. However, these potentials has remained largely untapped which has led to the dwindling performance of the agricultural sector both domestically and in the international trade over the years. The study contends that government's agricultural policies over the years in Nigeria recorded partial success, going by this fact the country still face problems of food security, malnutrition and hunger, low earnings from agriculture as the GDP from agricultural sector declines. This study covered the key issues on Nigerian agricultural policies especially as it concerns the formulation and implementation of agricultural policies and programmes as well as their achievements. The agricultural sector has a strong relationship with the economy; hence, the concern for agricultural policies and the economy. *The functionalist theory was adopted for this study.* 

# Keywords: Agricultural Policies, Nigerian Economy, Employment, Poverty, Food Security

## Introduction

Agriculture is fundamental to the sustenance of life and it is the bedrock of economic development, especially in the provision of adequate and nutritious food so vital for human development and industrial raw materials (Uche, 2011). Sustainable agricultural development is propelled by agricultural policies. The first national policy on agriculture

was adopted in 1988 and was accepted to remain valid for about fifteen years, that is, up to year 2000. Also, in year 2001, a new policy document on agriculture, was lunched. The new policy document has most of the features of the old ones, but with more focused direction and better articulation. Agricultural policies are supported by sub-policies that facilitate the growth of the sector. Implementation of agricultural policies is however moderated by macro-economic policies which provide the enabling environment for agriculture to grow side-by-side with the other sectors.

These policies usually have major impact on profitability of the agricultural system and the welfare of farmers as they affect the flow of funds to the sector in terms of budgetary allocation, credit, subsides, taxes and therefore, must be in harmony and mutually reinforcing with the agricultural policies. The macro-policies comprise the fiscal, monetary, trade budgetary policies and other policies that govern macro-prices. Agriculture contributes immensely to the Nigeria economy in various ways, namely, in the provision of food for the increasing population, supply of adequate raw materials (and labour input) to a growing industrial sector, a major source of employment; generation of foreign exchange earnings and provision of market for the products of the agrarian sector (Okumadewa, 1997).

Support for agriculture is widely driven by the public sector, which has established institutional support in form of agricultural research extension, commodity marketing, input supply and land use legislation, to fast-track development of agricultural sector to achieve the aim of economic development. The importance of the agricultural sector, also suggests the intervention of the private sector through sponsorship of research, capacity building for farmers and, most importantly, the provision of fund for farm businesses (Uche, 2011). International governmental and non-governmental agencies including the World Bank Fund and Agricultural Organization of the United Nations, also contribute through on farm and off-farm support in form of finance, input supply strengthening of technical capacity of other support institutions.

Agricultural policies provide among others, for adequate financing of agriculture. The role of agricultural sector in diversification of economy cannot be over emphasized, given that it guarantees food security of any nation. Public expenditure on agriculture has, however, been shown not to be substantial enough to meet the objectives of Government agriculture policies (IFPRI, 2008). For a developing country with a mono-product oil

economy such as Nigeria, Government's indifferent to agriculture portends great danger to the economy for many reasons.

For instance, fluctuating food prices are a precursor of inflation. There is also the perspective of food security, in an era when food has been used as a weapon of War (United Nations Oil for food Deal in Iraq) and as bargaining tool (North Korea- United States Food Deal), even within Nigeria, the federal military government during Nigerian-Biafran War used food blockage as a tool of war (Uche, 2011).

#### **Problem**

An account of the performance of the agricultural sector in international trade over years depicts declines or stagnations (Uche, 2011). These are observed in the global trade of groundnut, palm oil, cocoa, cotton etc. Nigeria was the leading exporter of groundnut as at 1961, the share of world's shelled groundnut exports in 1961 was 42 % with 502,000 metric tons (Federal Ministry of Agriculture and Rural Development, 2011).

However, the growth rate in the groundnut export between 1961 and 2008 showed a negative annual growth rate of 16 percent which is a decline; hence Nigeria dominance in the export was eclipsed by United States of America (USA), China and Argentina.

Nigeria has been displaced from her earlier leading position because the competitors were able to have a strong marketing organization that linked the farmers to markets and hence were able to meet new strict sanitary and phytosanitary requirements, particularly for Aflatoxin, which is a serious food toxin.

In a similar view, the Nigeria Poverty Assessment 2007 attributed the galloping increase in the rate of Nigerian poverty rate as a result of low and declining yield/productivity in agriculture and this contributes significantly to rural poverty (NBS, 2007). The Nigerian Poverty Assessment Report further contended that in the light of the poor state of agriculture, as the survey results show, households whose heads are engaged in the sector tended to have the highest level of poverty incidence, compared to other occupations where the incidence was less. The agricultural sector thus accounts for a significantly large proportion of the poor in Nigeria. Farming households experience greater poverty due to low income from farming activities.

As a matter of fact, some of key factors identified by some scholars such as Anyanwu (1997), Onah (2006), Umoh (2001) and Ayatse and Akuva (2009) that have contributed and hindered agricultural productivity and income from agriculture in Nigeria are linked to

poor policy formulation and implementation in the sector. For instance Anyanwu (1997) observed that most of government policies on agricultural have failed to address the issues of land tenure system, provision of adequate agricultural facilities to farmers, access to agricultural micro credits, access to markets for the sale of agricultural products, provision of agricultural education to rural farmers on mechanized farming, among others. Eze et al (2010) noted that access to credit is a problem for all farmers and is particularly acute for poor farmers. It is therefore against this backdrop that this study examines the discourse and narrative of the Nigerian economy through the lens of agricultural policies.

## Brief review of literature

Agricultural policy is the statement of what the government wants to do, what it is doing and what it is not doing and what would not be done as regards to agricultural activities in Nigeria. Nigeria's agricultural policy is the synthesis of the framework and action plans of Government designed to achieve overall agricultural growth and development (Ministry of Agriculture Policy Guide 2004).

The policy aims at the attainment of self sustaining growth in all the sub-sector of agriculture and the structural transformation necessary for the overall socio-economic development of the country as well as the improvement in the quality of life of Nigerians (Ministry of Agriculture 2011).

According to the Ministry of Agriculture policy Guideline report (2004), the broad policy objectives of the agricultural policies in Nigeria include:

- a. Attainment of self-sufficiency in basic food commodities with particular reference to those which consume considerable shares of Nigeria's foreign exchange and for which the country has comparative advantage in local production
- b. Increase in production of agricultural raw materials to meet the growth of an expanding industrial sector
- c. Increase in production and processing of exportable commodities with a view to increasing their foreign exchange earning capacity and further diversifying the country's export base and sources of foreign exchange earnings
- d. Modernization of agricultural production, processing, storage and distribution through the infusion of improved technologies and management so that agriculture can be more responsive to the demands of other sectors of the Nigerian economy

- e. Creation of more agricultural and rural employment opportunities to increase the income of farmers and rural dwellers and to productively absorb an increasing labour force in the nations
- f. Protection and improvement of agricultural land resources and preservation of the environment for sustainable agricultural production
- g. Establishment of appropriate institutions and creation of administrative organs to facilities the integrated development and realization of the country's agricultural potentials.

## **Characteristics of the Nigerian Agricultural Policy**

The Ministry of Agriculture Policy Guideline (2004) gives a holistic insight of the main features of the policy to include: the evolution of strategies that will ensures self-sufficiency and the improvement of the technical and economic efficiency in food production. This is to be achieved through the introduction and adoption of improved seeds and seed stock, husbandry and appropriate machinery and equipment. Efficient utilization of resources, encouragement of ecological specialization and recognition of the roles and potentials of small scale farmers as the major production of food in the country; reduction in risks and uncertainties were to be achieved through the introduction of the agricultural insurance scheme to reduce natural hazard factor militating against agricultural production and security credit out lay through indemnity of sustained losses.

A nationwide, unified and all-inclusive extension delivery system under the Agricultural Development Programme (ADP) was put in a place in a joint Federal State Government collaborative effort. Agro-allied industries were actively promoted. Other incentives such as rural infrastructure, rural banking, primary health-care, cottage industries etc. were provided, to encourage agricultural and rural development and attract youth, including school leavers, to go back to the land. The agricultural policy is supported by sub-policies that facilitate the growth of the sector.

These sub-policies cover issues of labour, capital and land whose price affect profitability of production systems; crops, fisheries, livestock and land use; input supply, pest control and mechanization; water resources and rural infrastructure; agricultural extension, research, technology development and transfer; agricultural produce storage, processing, marketing, credit and insurance, cooperatives, training and manpower development, agricultural statistic and information management.

Implementation of the agricultural policy is, however, moderated by the macroeconomic policies which provide the enabling environment for agriculture to grow pari passu with the other sectors. These policies usually have major impact on profitability of the agricultural system and the welfare of farmers as they affects the flow of funds to the sector in terms of budgetary allocation, credit, subsidies, taxes, etc and, therefore, must be in harmony and mutually reinforcing with the agricultural policy.

## Government effort in revamping Agriculture in Nigeria

There had been a number of policy measures and programmes within the last decades which involve the reconstruction or reformation of the whole structure of the agricultural sector by the creation of appropriate institutions and public services designed to strengthen the economic position of the independent farmer Anyanwu (1997). These measures and programmes are discussed below:

## (a) The National Accelerated Food Production Project (NAFPP)

The desire to induce the masses of farmers to boost food production "within the shortest possible time", led to the establishment in 1973 of the NAFPP a programme based on the green revolution concepts and experiences of Mexico, India, Philippines and Pakistan. Its main objective is to accelerate the production of six major food crops namely rice, millet, sorghum, maize, wheat and cassava. The project which has three component-research, extension and agro-services- is divided into three phases namely the Minikit, Production Kit and Mass Production phases (Anyanwu, 1997). The International Institute for Tropical Agricultural (IITA), Ibadan is the national coordinator of the project. The National Cereals Research Institute (NCRI), Ibadan houses the National Rice/Maize centre which guides and coordinates the activities of the NAFPP for rice and maize while the National Root Crop Research Institute Umudike is in charge of cassava.

## (b) The Nigerian Agricultural and Co-operative Bank (NACB)

The NACB was founded in April, 1973, to foster growth in the quantity and quality of credit to all aspects of agricultural production including poultry farming, fisheries, forestry and timber production, horticulture etc. It also aims at improving storage facilities for agricultural products and the promotion of the marketing of agricultural products. The Central Bank of Nigeria has 40% of its equity shares which stood at N150 million in 1984. The bank provides for two credit markets: direct-lending to individual farmers and

organizations, and on-lending to establish institutions mainly state governments and cooperative bodies against guarantees for on-lending to third parties.

## (c) The River Basin Development Authorities (RBDAs)

The development of river basins was conceived in 1963 with involvement in the Lake Chad Basin and River Niger Commissions for countries bordering the Lake and the Niger River Anyanwu (1997) and Are (1985) cited Okoli and Onah (2002). But the concept was first tried in 1973 with the establishment of the Sokoto-Rima and the Chad Basin Development Authorities Anyanwu (1997).

## (d) Operation Feed the Nation (OFN)

May 1976 witnessed the launching of the Operation Feed the Nation (OFN) Scheme by the Obasanjo regime mainly to increase food production and eventually to attain self-sufficiency in food supply (Ijere, 2001). Other objectives of the programme include encouraging the section of the population which relies on buying food to grow its own food. Under the scheme encouragement and material assistance were given to the people in the form of technical advice and the supply of essential farm inputs such as improved seeds, fertilizer, pesticides, farm implement, livestock and livestock feed at subsidized prices.

## (e) Agricultural Credit Guarantee Scheme (ACGS)

The need to encourage the flow of increased credit to the agricultural sector raised the necessity for an investigation to determine the bottlenecks which were experienced in attracting credit to the sector (Ijere, 2001). He further noted that the enquiry, a joint effort of the Central Bank of Nigeria and the Commercial Banks, focused on the current size and coverage of lending by the commercial banks to agricultural and the measures needed to improve the situation. The results was a Fund established by the Federal Government under the Agricultural Credit Guarantee Fund Act, 1977 which provided for a Fund of N100 million subscribed to by the Central Bank of Nigeria 60% (Anyanwu, 1997).

## (f) Rural Banking Scheme

At the instance of the Central Bank of Nigeria, the Financial System Review Committee in 1975 recommended and the Federal Government approved a programme of geographical dispersal of bank branches particularly designed to ensure the penetration of the rural areas by banks. The rationale for this included, among others, the fact that a network of rural banks would help to mobilize rural savings some of which would be

invested in the agricultural sector. In addition, mere extension of the branches of existing ill-adapted banks into the rural areas falls short of a good model for "rural bank".

## (g) Commodity Boards

There was also a reorganization of the then existing marketing board system for export in 1977 from regional-oriented boards to those with a national outlook. Thus there came into being 7 Commodity Board, viz: Cocoa, Rubber, Cotton, Groundnut, Grains (for Cereals) Root Crops (for Cassava, Yam and Cocoyam), and Palm Produce (for palm oil and Palm kernel) Commodity Boards. Their establishment was to promote both the production and marketing of their respective commodities.

# (h) The Land Use Decree

The Land Use Decree which was promulgated in March 1978 appears the most sensation institutional reform in Nigerian agriculture for several years. The decree was intended to reform the land tenure system which was believed to constitute a formidable obstacle to the development of agriculture. The guidelines for the Fourth National Development Plan explicitly stated that, the land tenure system has long been a bottleneck in the establishment of large-scale farms by private operators. With the implementation of the recent land use decree, private sector involvement in large-scale agricultural activities should receive a boost during the next plan period. Availability of land should no longer be a constraint to agricultural undertakings (Anyanwu, 1997). The decreed appears to have a more radical effect on the systems in the southern part of Nigeria than the northern part.

## (i) The Green Revolution Programme (GRP)

With the birth of civilian administration in 1979, the question of food shortage in the country once more received a critical look as the drain in the nation's foreign reserves and its threat to the economy and existence were realized (Anyanwu, 1997) and (Okeke 2001). Thus the Green Revolution Programme was launched in 1980 by the then Shagari administration. Its objective is centred at self-reliance in food production and the diversification of Nigeria's sources of foreign exchange. To achieve this all known constraints to increased production were to be removed. Under the scheme, new input procurement and distribution systems came into operation. Input subsidies and crop pricing were streamlined while construction of rural physical infrastructure was embarked upon via massive federal funds allocation (Anyanwu, 1997).

## (j) Agricultural Development Projects (ADPs)

As part of rural development programmes Agricultural Development Projects (ADPs) were established first in pilot states and later in all the state in the country. Some of their key areas of activities are the provision of infrastructure, farm service centres, the supply of farm inputs such as fertilizers, root crops/ tubers, agro-chemicals (pesticides and herbicides), and water pumps, and extension and training (including the establishment of special plots for extension and training (SPAT). Indeed, the ADP concept has been used as the primary method to increase production and welfare in the small holder agricultural sector in Nigeria.

## (k) The National agricultural Land Development Authority (NALDA)

The NALDA was established in 1991 to execute a national agricultural land development programme to moderate the chronic problem of low utilization of abundant farm land. The main target of the programme was the development of 30.000-50.000 hectares of land in each state during the 1992-94 National Rolling Plan periods. Also, it was to see to the placement of at least 7,500-12, 500 farmers within the area developed such that each lives within 3km-5km radius of his farmland. An average of N300 million was allocated to NALDA by the Federal Government annually in 1991 and 1992, while the State and Local Government were to allocate suitable tracts of land to authority in addition to token contributions towards the funding of its programme.

## **Government Policies on Agriculture Financing**

The reasons for government intervention in the agricultural financial market are to:

## a. Smoothen out imperfections in the agricultural financial market:

Okonjo and Chete (2008) explain that the agricultural financial market (also the rural financial market) exists to facilitate exchange, a platform for the reconciliation of demand and for supply of capital for agriculture and rural development. However, Eze et. al (2010) noted that often times; the market is constrained by certain factors such as information asymmetry, moral hazard, adverse selection, etc, from performing its roles effectively. Government then intervenes to iron out those imperfections and create a more Pareto-optimal environment for market players.

#### b. Ensure food security:

Olawumi (2009) opined that since finance is critical for investment in agricultural production, either in form of equity or debt, government intervention in form of

expenditure on credit to farmers, direct production, etc, is to guarantee that food is available and affordable. There is the realization that securing access to cheap food for Nigerians would ensure social stability and lessen reliance on food imports which supply can be cut at any time depending on prevailing global political and economic conditions or similar conditions in the exporting countries.

## c. Achieve favourable balance of payments:

A high food import bill exerts pressure on the foreign reserves of the country, leading to its depletion. This adversely affects the balance of payments and hence, the international position of the country. Whereas we have been endowed with abundant land resources and farming-friendly climate, just a little push in the direction of other resources, including financial capital, is all that is needed to boost production and reduce dependence on food imports Ogen (2009). The government intervenes to ensure that this happens, thereby saving foreign reserves for the more productive use.

## d. Promote foreign exchange earnings from agricultural exports:

From the viewpoints of Anyanwu (1997), Ekpo and Egwaikhhide (1994), Abolagba (2010) and Daramola et.al (2007), government policies on agricultural financing aim at, first, ensuring self-sufficiency in food production and then, exporting the surplus to earn foreign exchange. So, not only does government actions help reserve foreign reserves to improve our balance of payments position, it also stimulates accretion to the reserves.

## e. Enhance other socio-economic issues:

Such as poverty reduction, employment generation, reduction in rural-to-urban migration and especially, food price stability since it is known that food fluctuations are the precursor of inflation in developing countries. Eze et al (2010) strongly believe that this follows from Engel's law, which states that a higher proportion of income in developing countries is spent on food. And since income elasticity of demand for food is highly elastic, it is easy to see why expenditure on food is large enough to cause inflationary trends in the economy.

f. Use finance as engine of growth and development since the major occupation of the people is farming.

It is expected that a farmer encouraged with credit will be in position to improve his operation, use improved implements, seeds, livestock, manpower, transportation and markets for sale of the output and purchase of inputs at good market price (Eze et.al, 2010). Moreover, Abiodun and Olakojo (2010) contended that the farmer will reap the economies of scale, discover new and cheaper products, create demand where none exists and provide utilities to satisfy a widening market, generate in him the optimism and determination to venture into new fields. Through this, credit will constitute the power or key to unlock latent talents, abilities, visions and opportunities, which will lead to economic development and growth among the rural farmers who benefited from government credit policies.

## Challenges of Agricultural Policies in Nigeria

Nigerian efforts in agricultural development over the past decades have failed to improve the country's economy (Uche, 2011). A review of the sector depicts a Performance reflecting environmental degradation, mounting food deficits, and decline in both gross domestic product and export earnings, while retail food prices and import bills have been increasing. The effects have further impoverished the small farmers, pushing them into a poverty web (Olawumi, 2009). These challenges have been the reason for failure of previous policies, and they continue to threaten existing ones.

Below are some of the challenges of agricultural policies in Nigeria:

Lack of adequate skills to deliver services effectively: Most of the credit institutions undertook lending to agriculture without the use of trained agricultural credit officers vested with knowledge of agriculture and the constraints to farmers' performance. Additionally, supervision of credit programmes has often been below acceptable standards. Invariably, the schemes fail due to poor repayment performance.

Lack management capacity of farmer-clients: Most farmers who should benefit from the financing policies, especially the financing schemes, lack the basic skills of farm management, including record keeping. And when these are called up as requirement for accessing facilities, as is always the case, they become ineligible.

Unwillingness of conventional banks to support agriculture: Even with mandatory (preferred sector) lending, guarantee of exposure and subsidized fund schemes, most banks prefer not to land for farming, citing its lower productivity and higher risk relative to the non-agricultural sector as their reason.

Paucity of loanable funds: Most of the loanable funds have come from government sources and is not sufficient for any meaningful agricultural investment. The government cannot do it all alone. This creates a finance supply deficit relative to demand. Statistics

show that bank credit to agriculture as a proportion of total bank credit to the economy has hardly exceeded 17 per cent since recorded history in 1970, yet the sector contributes over 35 per cent of the gross domestic product annually (CBN, 2015).

Weak institutional support in the sector: Infrastructure for processing and storage, land tenure systems, legal system for registration and perfection of collateral, judicial system for the enforcement of loan contracts and foreclosure of collateral, etc, are weak. This does not encourage private sector commitment to the agricultural financing policies.

Some of the policies have been criticized for being excessively skewed against the small farmer, given the eligibility requirements and documentation e.g. Agriculture Credit Support Scheme, etc. Those schemes that are within the reach of these farmers often have cumbersome procedures which soon prove insurmountable.

Most policies do not favour long gestation farm enterprises: This leaves much to be desired as the implication is that the major agricultural exports which are long gestation crops such as oil palm cocoa may not be rehabilitated soon.

Undue political interference in lending operations: Any time Government initiates a credit policy; most beneficiaries are those close to corridors of power. The result is diversion of the fund and default in repayment.

Government belief that the appropriate interest rates for agricultural loans be kept low to promote agricultural development and to assist small farmers, it ends up in the hands of big farmers who now invest this fund in their business leaving their own funds free for investment outside farming, thereby negating the intention of government to increase agricultural output and encourage adoption of new technologies as well as develop the rural areas.

Credit flowing into unproductive areas leads to policy dislocation or distortion: An instance is the River Basin Development Authority building an irrigation facility in an irregular flowing river which is not likely to produce the necessary water for irrigation, or the same scheme engaging in food production with unnecessary high over head costs. The most challenging is the issue of inconsistency and lack of continuity as well as insider abuse in the implementation of policies.

Policy formulators in the agricultural sector in Nigeria fails to conduct adequate feasibility studies through its field agencies such as ministries, parastatals, commissions etc. Therefore, a major problem in policy making is the concentration of efforts on the

design and formulation of public policy (Ikelegbe, 1996). The task of implementation design in terms of consideration of the practicality, suitability and feasibility, or how implementable the policy is, in the real life situation are either neglected or given little considerations by the policy makers. The contextual variables of culture, capability and political configuration sometimes get ignored in the search for optimal or best policy choices.

Political support from legislative bodies, political executives, the clientele and the general public is particularly vital to policy and implementation success. How much interest, commitment and support political leaders lend to a policy determine the level of resources, efforts, energy, time and seriousness that the policy would attract. Where such support is sustained, it could enhance implementation and performance by a steady flow of resources. The focus of political leaders on a programme could hasten implementation, motivate and enhance commitment of programme staff, strengthen implementation propriety and compliance and enhance operation, service delivery and outcomes.

The problem of most public policies is that many do not attract and sustain intense interest, commitment and support of political leaders. Certain characteristics of public policies tend to affect the level of support. Policies of short term benefits tend to orchestrate more support. Policies requiring behavioural changes and reorientations tend to be less accepted. Opposition is garnered, when certain group or individual interests are threatened, neglected or ignored. Those whose portion of policy allocations are cost rather than benefits tend to be less supportive and may in fact be resistant.

The question of the level and type of socio-economic impediments a policy change may orchestrate is also important. Policy administrators may not take into their implementation analysis the effect of policy changes on varying interest and the importance and leverage of those whose interest are affected. There may be negative impacts on groups and persons whose influence and probable action could be vital to implementation success. The level of resistance and opposition, particularly when importantly located, could thwart implementation or mar the image, motivation and outcomes of implementation.

The need for planning and preparation before programme commencement cannot be over-emphasized. Adequate preparations provide a basis for effective commencement. Preparations could be in three ways. There could be the design of the outlines and

frameworks of implementation, in terms of the choice of project units, goods, services, mode of delivery and the instruments for implementation. Two, the administrative and other structural arrangements could be set up. Three, preparations could be in the form of funds mobilization and procurement of critical inputs. Most time, the executive arm of the government does not properly do things before embarking on policy formulation and implementation.

Ake (1986) have attributed part of policy problems in the underdeveloped countries as inadequate preparations. The state of preparedness for programme implementation should determine implementation commencement of the executive. But sometimes, implementation commences without adequate provision and preparation. Political leaders especially those in the executive arm tend to rely on prediction, rather than wait for adequate preparation before commencing policy implementation. They depend on political opportunities, political support, political climate and public mood. Such implementation are often characterized by several problems such as sluggish implementation, slowed and poor output, poor results, implementation gaps and gaps between societal expectations and actual outcomes.

The ministry, department or agency which is entrusted with implementing agricultural policies may possess several characteristics that might dissipate implementation favour, and clog, delay, distort and mar implementation (Okpanachi, 2004). The agency or ministry may not possess the abilities, experience and expertise to implement the policy. It may not possess the vigour, enthusiasm and dynamism to execute the policy effectively. It possesses established procedures, routines, traditions and disposition that may not enhance implementation.

A major problem in programme is inadequacy of resource to effectively execute programmes. Oftentimes, programmes resource commitments or promises do not come near what it takes to execute at the level of operation, delivery of goods and services and targets, anticipated or directed. Many programmes do not have the means and resources for effective execution because resource commitments are not increased, strengthened or reinforced. Because of other priorities, the government may be unwilling to spend adequately to attain success.

Duality of Policy Making Sometimes a policy is similar in some ways to others, such as in the problem addressed, objectives and clientele served. The duality may be

reinforced by their location in different implementing agencies, thereby creating a situation where different agencies apply policies with some similarities and address the same problems. Such duality, without strong co-ordination and co-operation dissipates government energies and resources, because of inherent duplications of projects and activities.

Many programmes depend on private contracts for critical inputs for activity and operations, such as supplies and procurement, construction, production of goods and services, research, training of personnel, and sometimes even operation. The performance of these programmes, therefore largely depend on the performance of contractors. However, sometimes the programme contractors may not be the most facilitative of programme objectives and targets. Political patronage, rather than capability, expertise, experience and proven efficiency, tend to be the criteria sometimes for awarding contracts, poor performance and abandonment. Many programmes implementation are bogged and problem ridden because of contractors' indiscipline, corruption and non performance.

## **Theoretical Framework**

In the study, the theory used to explain the impact of agricultural policies and Nigerian economy is the functionalist approach propounded by Emile Durkheim. The idea of the functionalist approach implies the interdependence of parts and subparts for the effective performance of the whole system. Going by the Durkheimia approach, the economy of any nation is like a system with many parts and sub parts; it is difficult to understand one part without the other. The central assumption is that all social, economic and political phenomena are interrelated. They affect each other for survival of the whole system.

Durkheimia therefore argues that, it is not possible to understand one part of the society in isolation from the other parts which affect its operation. To explicate on the working of the functionalist theory, Emile Durkheim identifies three properties: comprehensiveness, interdependence and the existence of boundaries. By interdependence it means that a change in one subset of interactions produces change in all other subsets due to the mutual coexistence among the different units. The property of comprehensiveness refers to state that all the interactions are found in the system. The

property of existence of boundaries in a political system means, that there are points where the other systems end their functions and the other takes up from where the other stops.

From the foregoing, the major assumptions of the functionalist theory could be used to explain the relationship between agricultural policies and the Nigerian economy. This is because the functionalist theory has so many justifications with the subject matter. The Nigerian economy is made up of different sectors and sub-sectors which Durkheim calls the structure and sub-structures. The structures here represents the Nigerian whole economic set up while the substructures are the different economic sectors like agriculture, petroleum, energy, mine, education, health, the manufacturing etc. By interdependence, it means that change in one sector of the economy lead to change in the other sector of the same economy, it implies that no sector of the economy on its own, without interacting with the other can be successful nor lead to the advancement of the whole economic set up.

Agricultural policies cannot be successful no matter how good they are if other sectors of the economy like energy, education, banking sector and the manufacturing/industrial sectors are malfunctioning. The absence of better social infrastructures like roads, water, electricity, health, education etc can truncate the success of agricultural policies. The energy sector needs to provide electricity for industries to be established so that agricultural produce can feed the industries. The absence of interaction among the various sectors of the economy has made it difficult to experience comprehensiveness in the Nigerian economic set up. The much revenue generated from the oil has not been used to effectively impact on the agricultural projects not even to put in place social infrastructures. The banks are not willing to assist poor farmers with loans, even when the facility is there the conditions are stringent.

From the above assertions, is clear that, though agriculture has the potential of impacting positively on the Nigerian economy, on its own it can do nothing without getting the necessary functional support from other sectors of the economy. The poor economic sectoral relationship in the Nigerian economy is purely responsible for the failure of agricultural policies in Nigeria.

## Conclusion

The Nigerian government has over the years formulated good agricultural policies meant to encourage food production and other economic benefits to enhance economic development but such policies have been found inefficient and ineffective since the intended results were not realized. From findings, some evidence were established to show that the formulation of the agricultural policies often does not take critical analysis of the social, economic, environmental and political impact on the target intended beneficiaries.

On the other hand, the implementation of agricultural policies is characterized with implementation problems one of which is implementation leakages. Equally, studies shows that poor funding to agricultural policies and programmes affect the impact of these policies and programmes on Nigerian economy. Poor funding affects the implementation of agricultural policies in so many ways. It limits the availability of agricultural micro-credits, provisions of agricultural infrastructures in the rural communities and creates administrative incapacities to the implementing agencies. In concluding, the study states that agricultural policies can only impact significantly on Nigerian economy if the various challenges that affect their implementation are surmounted.

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