

Harnessing The Opportunities In Agriculture For National Economic Growth

*Eze Chidi Nwauba
Director, School of Part-time Studies,
Legacy University, Okija, Nigeria
profnwauba@legacyuniversity.edu.ng*

ABSTRACT

In recent years, the contribution of agriculture to economic growth has been a subject of much controversy among development economists. Some economists contend that agricultural development is a prerequisite for industrialization while others strongly object it and argue from a different path angle. However, the aim of this paper digressed a bit as it focused on how the opportunities that abound in agriculture can be harnessed to develop the nation's economy. After discussing the connection between agriculture and economic growth, the paper touched on the different opportunities that can be tapped into by the polity. It also considered the challenges of agriculture in Nigeria before recommending what the government ought to do to harness the opportunities of agriculture optimally. One of the recommendations was that the government should subsidize machines used in agro-allied sector.

Introduction

From the inception of mankind, the first task God committed to man was cultivation which can be interchanged to imply agriculture. The first basic need of man is food which is a product of farming and animal rearing. Agriculture is the base and foundation on which the growth of stable human society has rested on all over the whole world, be it rural and metropolitan communities. This aspect of human activity is focused on the husbandry of crops and animals for food and other important purposes. Studying the

history of economics, it is proven that agricultural revolution is a fundamental requirement for economic development.

Nigeria as a nation was known for its agriculture-reliant economy before the mid 50s. At the discovery of oil in Nigeria in 1956 at Oloibiri in the Niger Delta by Shell-BP, Nigeria joined the ranks of oil producers in 1958 when its first oil field came on stream producing 5,100 barrels per day (bpd). The nation gradually forgot about agriculture at this time until recently when key policymakers started considering the return of the masses to this sector. Victor (2009)

The agricultural sector has the capacity to be the industrial and economic hub from which a nation's economic growth can start off. Certainly, more often than not, agricultural activities are usually more in the less developed rural areas where there the need for rural transformation, redistribution, poverty alleviation and socio-economic development is stronger. According to David (2007), agricultural development is considered to hold the key to economic development for most Sub-Saharan countries including Nigeria. He stated further that in Nigeria, there are several sectors that contribute to the total output of the economy. In practice, these are grouped into four major sectors, namely agricultural, manufacturing, oil/petroleum, and services.

Simeon (2006) postulates that the agricultural sector has the potentials to put landscape to use, assure sustainable management of renewable natural resources, make available environmental gains such as preservation, preserve biodiversity and add to the feasibility of rural areas development. Considering its spheres of activities at the macro and micro levels, the agricultural sector is tactically organized to have a high multiplies and connecting effects on any society's pursuit for socio-economic and industrial

development. The growth of the agricultural sector in Nigeria has not been a smooth one.

Nigeria derived great income from agriculture in the past. During the pre-independence period, the agricultural sector provided most for the GDP of Nigeria. Harrison (2001) posits that in 1929, export production was 57% of Nigeria's revenue of which agriculture was about 80% of the export. After political independence in 1960, the status quo remained; it was then safe to call Nigeria's economy an agricultural economy, because agriculture was the engine of growth of the whole sector of the economy (Larry, 2003). Presently, the agricultural sector now accounts for less than 5% of nation's GDP (Gregory, 2014).

It is against this backdrop that the researcher set out to research on how to harness the opportunities in Agriculture for national economic growth. There could not have been a better time to carry out such a researcher than now the country is experiencing recession in its economy.

Keywords: Harnessing, opportunities, agriculture, growth

Agriculture and Economic Growth: A Review

Agriculture and the economy of any society are inseparable. As a matter of fact, there will always be a link between these two concepts because most economic activities are concluded with cash-flow towards agricultural products.

Agriculture in Nigeria is a branch of the economy in Nigeria, providing employment for about 30% of the population as of 2010. The sector is being transformed by commercialization at the small, medium and large-scale enterprise levels.

www.wikipedia.org

Richard (2005) observed that agricultural productivity growth needs nurturing the links between the agricultural and non- agricultural sectors. According to Adebayo (2004), due to the solid growth linkage effects, agricultural enhancement can metamorphose to a wider economic growth in many nations even open economics during the early phases of industrialization.

Daniel (2010) submits that agricultural development plays a very important role in reducing poverty and transforming the economic. Agricultural development decreases poor standard of living through direct impacts on farm earnings and job opportunities while indirect impacts are achieved through linkages. The significance of intersectional link in the development process had already been widely acknowledged.

(Hirschman, 1958 cited in Akpan, 2009) was one of the foremost theorists to stress linkage effect in the growth process even though his analysis was directed mainly on the backward and forward linkages created by government investment in industrial sectors.

Opportunities in Agriculture and the Nigerian Youth

Prior to the break of civil war in Nigeria, the nation had more than enough food to cater for its citizens. However, it is documented that from 1973 things started changing (for bad) and so it has been until the present, even worse.

It is sad that even though over 70% of the nation's land is fertile for farming, the youth are not persuaded to see farming as a business or occupation. Rather, most youth grow up dreaming of working in a bank hall, an oil firm or other blue chip companies. Even though the "good jobs" are increasingly becoming nonexistent, most people are yet to come to terms with agribusiness.

Agriculture could be a money-spinning business in Nigeria, if people understand it to be a "business". The underdevelopment of Nigeria's agriculture does not negate the fact

that opportunities lie therein. The major challenge people have with agriculture is that they see it as a very dirty job. This mindset is based on the fact that most people grew up seeing their parents in the village practice subsistence farming with crude farming tools. However, this is not the case as commercial farming is now becoming mechanized and even digitalized in advanced countries.

Some of the opportunities that abound in agriculture are discussed below:

Crops Farming: The major opportunity that agriculture provides is crop farming which is basically the tilling of soil, planting of crops and harvesting for processing. Crop farming can also be subdivided into food crops, cash crops, and horticulture which is the cultivation of flowers. Food crops are basically to provide food for the populace while cash crops are cultivated for commercial purpose with the intent of exporting them. Crops farming encompass the production of food and raw materials for other products such as rubber, cotton, etc. Adopting mechanized farming is all that is needed to improve this fragment of agriculture. Many youth can tap into this sector and improve their lives.

Fish Farming (Aquaculture): This branch of agriculture is relatively new in Nigeria. It is basically the domestication of fishes for subsistence or commercial purposes. Fish farming requires some level of expertise and techniques which can be learnt in a short duration. People can also benefit from this segment of agriculture if it is optimized.

Consultancy: Job opportunities can also be made available for consultants in the agro-allied industry. Consultants, here, are those that run agriculture business for farm owners. They are experts in agriculture who know the nitty-gritty of the profession. If the government develops the agricultural sector, more people can take up career as agro consultants and researchers hence another achievement in reducing unemployment.

Technical Support: Here is another area that agriculture can provide opportunities to the populace and help grow the national economy.

Technical support for mechanized farming is feasible if the agricultural sector is resuscitated. There will be technicians to repair and work on faulty farm machines hence another involvement of youth in meaningful tasks.

Commercial Activities: Through the thriving of the agro sector, people can indulge in buying and reselling of farm produce thereby making profits. This is another good medium for engaging the youth and reducing unemployment.

Foreign Exchange: The government can generate a lot of revenue if it invests in the agricultural sector. Exported farm produce could generate revenues that run into billions of Dollars for the economy.

Factors Militating Against Agriculture for National Economic Growth

Agriculture's position in Nigeria's economy has remained critical for decades since her political independence. Many issues seem to be the bane of agricultural growth in the country and subsequently the economy. Some of these factors are natural which little or nothing can be done about but others can be tackled since they are self-inflicted. Some of these challenges are discussed in this section.

1. **Land Tenure Challenge:** Land is the most important factor of production in agriculture. The land tenure system is the way land is owned in a society and it is usually decided by the government of the day. The widespread land tenure system in Nigeria dampens agricultural land utilization. Mostly, land is inherited hence land is fragmented over generations. Population boost has increased the various avenues in which land can be put to use. This has greatly affected agriculture development hence economic development.

2. Poor Financing: Agricultural activities in the developing nations are mostly subsistent, hence the farmers are not armed with the needed funds, do not have the necessary collateral for loans collection, cannot have access to enough credit facilities, cannot afford high interest rates on loans either from banks or money lenders, cannot procure the most sophisticated machines for mechanized farming, and cannot employ agricultural specialists whose salaries and wages are far above what the farmers can afford.

3. Nonexistent Good Storage and Processing System: To achieve any meaningful result in Agriculture and subsequently economic growth, there have to be a good means of storing harvested farm produce. However, in Nigeria, storage facilities like rafters, silos, cribs, rhombus, barns, are inadequate thereby leading to the perishing of crops (like tomato, pepper, vegetables, etc), pests and diseases that attack farm produce, fumigation of farm products thereby reducing the quality of farm produce, farm produce wastage, highly technical farm machines for local farmers to operate and also expensive to maintain.

4. Unsteady Policies and Governmental Programmes: The government also poses a challenge when it comes up with different programmes that gives farmer false hope yet never see the light of the day. For example, a few years ago, the Federal government planned to ease communication amongst farmers by distributing mobile phones to the farmers but up till the time of this paper, no farmer has received a phone even though money was disbursed for this cause. This insecurity discourages farmers and intending agriculturists.

5. Lack of Investment: Lack of investment is also a challenge of agriculture in Nigeria. Annually, government's budget for agriculture is not enough to meet the challenges this sector faces. Though foreign aid groups have supplemented the finances from the government, but most of these funds never get to the local farmers

6. Challenge of Basic Social Amenities: Social amenities like standard schools, electricity, cinema, good and functioning health system, recreational parks, good roads, telephony system, sport viewing centers etc, are found wanting in rural areas. This often leads to rural-urban migration, reduction of the working population in the rural areas and subsequently low agricultural output.

Recommendations

Having considered the factors that militates against agriculture for national economic growth; the researcher puts forward the following recommendations:

1. The Federal government should review the land tenure laws to favour youth that will be interested in agriculture.
2. There should be subsidy of farm machines by the Federal government to enable farmers acquire them with ease.
3. Fertilizers dissemination should be done with all sincerity. If it is to be distributed free, it should be so with the government monitoring it.
4. The youth should imbibe agriculture as a solution to the growing unemployment plaguing the country.
5. The rural farmers should be assisted by improving their access to health and education in order to improve their human skills and also through measures like provision of utility vehicles that will increase their mobility so that they can move to take up opportunities in growth areas as they come up.

Conclusion

Generally, agricultural development provides opportunities for economic growth and development. From the paper, it is glaring that agricultural can provided the opportunities for economic growth should the issues discussed be implemented. In conclusion, from the paper, the opportunities in agriculture can open up a new chapter in Nigeria's economy once the government is ready and willing to encourage farmers and intending farmers.

References

- Adebayo, A. (2004). "Food Security under the 7-Point Agenda of President Yar'Adua: Strategies, Prospects and Challenges" Nigerian Institute of Social and Economic Research, Ibadan, Nigeria
- Akpan, H. (2009). Basic Economics. Tata McGraw Hill Publication
- Daniel, M. (2010). Roles of Policy Structuring, Implementation on Agricultural Development. All African Publication
- David, B. (2007). The Restructuring of the Nigeria Economy. Onitsha. Joannee Educational Publisher Ltd
- Gregory, P. (2014). Demand and Supply Perception of Traditional and Non-Traditional Agricultural Export Commodities to Macroeconomic Policies in Nigeria. Unpublished Ph. D Thesis, Department of Agricultural Economics, University of Uyo, Nigeria
- Harrison, S. (2001). "The Prospects and Constraints to Diversification of Coffee to Agro-Industry in Nigeria", Journal of Agriculture Volume 4, No 2. Bowen University, Osun State, Nigeria
- Richard, O. (2005). Agriculture and its Roles on Economic Growth: Some Empirical Evidences. World Development Publications
- Simeon, Y. (2006). Private Sector and Agricultural Development in Nigeria: Enhancing Private Sector-Led Growth in Nigeria. Proceedings of the 15th Annual Conference of the Regional Research Units. Central Bank of Nigeria, Abuja, Nigeria
- Victor, M.O. (2009). "Food Policy in Nigeria", Analytical Chronicle, New World Press www.wikipedia.org/agricultureinnigeria (retrieved 5 September, 2016 11:00 a.m)