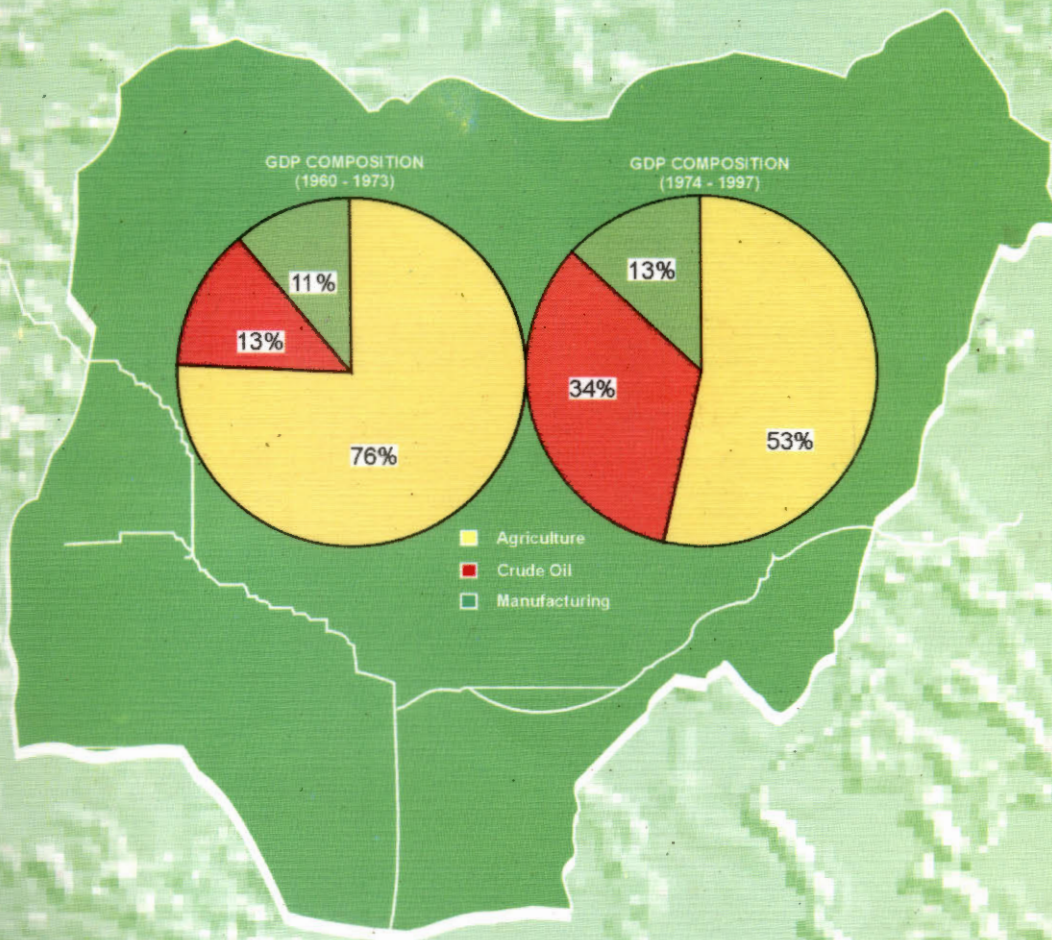


# The Changing Structure of the Nigerian Economy and Implications for Development



CENTRAL BANK OF NIGERIA



**THE CHANGING STRUCTURE  
OF THE NIGERIAN ECONOMY  
AND IMPLICATIONS FOR DEVELOPMENT**

**BY**

**RESEARCH DEPARTMENT  
CENTRAL BANK OF NIGERIA**

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## FOREWORD

The structure of the Nigerian economy, as well as its past patterns and trends, presents an extraordinary challenge to development economists, especially intellectuals and policy makers. The concern has been to analyze and understand the discernable patterns in thoughts, behaviour and social organizations of economic agents with a view to guide policy decisions targeted at reducing the undesirable elements of those structural characteristics which impede the process of growth and development. This is one good reason, this study seeks to provide a comprehensive review of the structure of the Nigerian economy and the challenges it poses for the success of structural transformation effort especially in the new millennium.

This book is the product of a painstaking effort by the Research Department of the Bank. It is a follow-up to earlier studies carried out either solely or in collaboration with some other research organizations, which focused on sectoral impact of adjustment programmes, evaluation of policy reforms, the role of the informal sector and a host of others. It therefore, builds on many of such research efforts undertaken by the Bank, as a new initiative in the quest to understand the challenges posed by structural rigidities in developing countries, and the desirability of reforms.

We do recognise that no single study can do justice to the subject matter. Indeed, a few attempts were made by researchers to put the structure of the Nigerian economy in its true context. What became increasingly clear is the inadequacies of such literatures, either that they were outdated studies or that they focused mainly on certain aspects on the economy. This is why this particular book can be considered as a compendium with regard to the Nigerian economy, which researchers and policy analysts would find very useful.

The Research Department of the Central Bank of Nigeria undertook this important assignment with effect from February, 1997 and the work was completed in August, 1999. I am delighted that this book is being published at this time, when the nation is about making a new beginning through the installation of a civil administration after a prolonged period of military rule. It is my hope that the new administration, from which a lot is expected in terms of sound economic management, will find useful, the findings and recommendations contained in this Book.

I wish to use this opportunity to congratulate the Director of Research and all the staff of the Research Department for the foresight they had in initiating the study and commend the spirit of hard-work exhibited in the preparation of the materials. The Book on the structure of the Nigerian Economy has certainly unfolded a lot of pertinent issues and policy recommendations that are germane to Nigeria's development. The Book is therefore, recommended to all, including institutions and individuals.

**CHIEF (DR.) J. O. SANUSI**  
GOVERNOR  
CENTRAL BANK OF NIGERIA



## ACKNOWLEDGMENTS

When the idea of this Study was first mooted the executive staff discussed it comprehensively and the consensus was that the study should explore the structure of the Nigerian Economy to unfurl important and pertinent issues affecting its development, for planning purposes. Following this initiative, a planning committee was set up for the preparation of a working outline, while study teams were appointed for each of the ten chapters of the book. The first draft of the Book was reviewed within the Research Department.

Subsequently, the second draft, incorporating the views of the internal reviewers, was passed to external reviewers who in addition to making written comments, discussed their editorial comments and contributions with the various study teams at a Departmental seminar.

The Research Department is particularly grateful to Dr. Paul A. Ogwuma (former CBN Governor) and Mr. Victor A. Odozi (former Deputy Governor, Domestic Monetary & Banking Policy) for the support they gave this project at its inception. The study team acknowledges the renewed interest of the Governor, Chief (Dr) J. O. Sanusi in research efforts and his notion "that policies should be guided by basic economic principles". Our profound gratitude also goes to Dr. Shamsudeen Usman, the Deputy Governor, Domestic Monetary and Banking Policy for his active support for economic research. We recognize and applaud the immense material and financial contributions that the CBN Management had deployed toward the production of this Book.

Our general thanks go to the planning committee for the elaborate outline prepared and effective coordination of the Project. We express our gratitude to the Team leaders of the various Chapters as well as the internal reviewers. Sincere appreciation goes to all the core research staff of the Department who worked tirelessly to ensure the completion of this work. We also acknowledge the contribution of all the secretarial staff in the Research Department for coping with the high volume of typing work involved. We extend our immense gratitude to Chief B. A. Oke and Mr. C. E. Nemedi, the external reviewers, whose editorial comments and contributions helped a great deal to improve the quality of the work.

**DR. M. O. OJO**

**Director of Research**

*(Project Coordinator)*

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# Chapter 4

## THE AGRARIAN SYSTEM

Nigeria is endowed with huge expanse of fertile agricultural land, rivers, streams, lakes, forests and grassland, as well as a large active population that can sustain a highly productive, and profitable agricultural sector. This enormous resource base if well managed, could support a vibrant agricultural sector capable of ensuring self-sufficiency in food and raw materials for the industrial sector as well as, providing gainful employment for the teeming population and generating foreign exchange through exports. In spite of these endowments, the sector has continued to stagnate or decline as a result of diminishing productivity. This situation contrasts with Lewis' (1954) theory of development (the rent-for surplus model) in which a limited highly skilled agricultural labour force, sustains the sector's output while releasing the surplus to the industrial and services sectors. The agricultural sector, despite its weakness, constitutes the dominant sector of the Nigerian economy, contributing on the average, about 55 per cent of the gross domestic product (GDP) in 1960 – 1970 and about 35 per cent thereafter (Table 4.1). A relatively small modern sub-sector, relying on the use of hybrid seeds/seedlings, exotic breed of livestock and mechanization, has emerged mainly in the last two decades.

Against this background, this chapter examines and analyses the main characteristics of the Nigerian agrarian system and the policy measures adopted over time to stimulate its growth and transformation. It also assesses the overall performance of the sector, highlights outstanding problems, and examines policy implications.

### Characteristics of Nigerian Agriculture 1960-1998

The major characteristics of Nigerian agriculture evolved over the years mainly in response to the resource endowment of the country, the state of technological advancement and the cultural practices prevalent in the various communities.

As regards resource endowment, Nigeria is

blessed with a wide expanse of land, most of which is arable. In addition, variations in climate, topography and soil types from region to region have encouraged ecological specialisation in agricultural enterprise combinations and farming systems. The large population engaged in agricultural production and existing institutional arrangements especially, the land tenure system, to a large extent, determine the land use pattern, such that over the years, there has been excessive demand pressure on land with resultant fragmentation into small holdings. For instance, the estimated land area per capita declined from 1,858 ha in 1961 to 1,090 ha in 1998, while the available cultivable land area per capita declined from 1,391 ha in 1961 to 1,068 ha in 1998 (Table 4.2). These major characteristics are discussed below.

### *The Dualistic Structure*

The dualistic structure reflects the existence of peasant farmers and large scale commercial cultivators. The former uses traditional methods and produces mainly for subsistence while, the latter employs modern inputs and management to optimise profit. Since the mid-1970s, many small scale farmers, have taken advantage of various government incentives to improve upon the performance of subsistence farming to accommodate commercial production. According to the classification of the Federal Office of Statistics (FOS), about 5 per cent of total agricultural output in Nigeria is produced by the modern sub-sector using the methods of production and farm management approach. Peasant agriculture predominates, accounting for about 95 per cent of the output as well as employment in the sector.

### **Ecological Base**

Nigeria is divided basically into five ecological zones, namely, mangrove swamp, rain forest, forest savannah, guinea savannah and sudan savannah. The



various ecological zones are influenced by climatic, and edaphic conditions which determine the range of crops planted and the efficiency of cultivation methods adopted in the area (Table 4.3). The mangrove swamp which covers Lagos, Ogun, Ondo, Delta, Rivers and Cross River states, lends itself to the production of fruits, vegetable, swamp rice, maize, legumes, poultry and fisheries. The tropical rain forest of Oyo, Ogun, Ondo, Edo, Delta, Enugu, Rivers, Cross River, Bayelsa and Imo, is amendable to the production of tree-crops, root-crops and tubers, nuts, legumes, poultry, fisheries and piggery. The forest savannah of Kwara, Edo, Delta, Enugu and Benue states supports the production of root-crops and tubers, cereals and nuts, grains, legumes, livestock and fisheries. Niger, Kaduna, Benue, Plateau, Adamawa, Oyo and Kwara states which are in the guinea savannah produce cereals, grains, legumes, root crop nuts and livestock. The sudan savannah which is made up of Sokoto, Katsina, Bauchi and Borno states produces cereals, grains, legumes and livestock. This practice had in the past helped to maintain ecological balance and supported the population (Table 4.4).

However, it has been observed that the farming and ecological structure have been dynamic as a result of changing climatic, economic and technological conditions. For instance, the establishment of River Basin Development Authorities (RBDA) and the intensive use of inorganic fertilizer significantly affected the types of crops produced in the zones. As a result of this development, by the end of the 1980s, farmers had successfully introduced some crops, e.g. cassava and oranges which were traditional crops in the south to the north in order to maximize profit. In general, farmers are no longer producing only for subsistence, but also for the market. Also, the advent of crude oil affected the ecological balance as a result of environmental pollution arising from oil spillage and gas flaring with adverse consequences for agricultural activities in the mangrove swamp and tropical rain forest.

## **Farming Systems**

The traditional practice adopted by farmers in Nigeria is patterned in line with the extent of pressure

on land use in the area. In general, large scale farmers adopt modern farming system such as mechanization, use of chemical as well as biological technology. However, the small holder farming system which predominates adopts numerous indigenous practices to overcome the problem of land fragmentation, environmental degradation and soil infertility. Notable among the farming systems adopted over the years by farmers in Nigeria are:

### *Shifting Cultivation or Bush Rotation*

During the period 1960-1970, this system was intensively practised. The bush rotation system was practised such that the fields were cleared of their original vegetation cover, cultivated briefly for a year or two and then allowed to fallow for a given period depending on the availability of land. The main determinant of this shifting cultivation system was the relationship between the length of time the soil will sustain cultivation with satisfactory results and the period required for restoration of fertility. By 1970-1980, the maintenance of soil fertility through this system was less effective given increasing population and urbanization. This situation led to shortening of fallow periods which resulted in land degradation and reduced yields/output. The system has been found to be unsustainable hence the reduction in its intensity.

### *Crop Rotation*

This system involves the sequencing of various types of crops on permanent holdings to maintain soil nutrient balance. It was predominant in the northern zones of the country and sustained by the use of organic manure. The system is still in practice spreading down south, relying on inorganic fertilizers.

### *Terrace Farming*

This involves farming in hilly areas and requires careful land preparation to avoid erosion. The practice is predominant in the north-eastern states. The system was sustained through the use of organic waste in the past but it is currently being sustained through



The use of inorganic fertilizers.

### *Mixed Farming*

It is a practice of raising livestock in combination with crop cultivation. It has the added advantage of using livestock waste as organic manure, while the crops residue may be used as feed. This practice is common in the northern part of the country where the livestock population is concentrated.

### *Irrigated Farming*

This farming system is practiced in the arid zone where unfavourable environment and location of farmlands in relation to available water resources necessitates reliance on irrigation. In the past, crops such as sugarcane, and various vegetables were grown in seasonally flooded riverine or fadama lands of the northern states. In recent times, especially with the establishment of River Basin Development Authorities, the development of modernised irrigation system has enhanced year-round agricultural production.

### *Cropping Systems*

There are numerous forms of cropping systems based on the ecological setting and the soil conditions.

### *Mixed Cropping*

This is a cropping system where the farmer plants one major crop and two or more supplementary crops. It is commonly practiced throughout the country. The socio-economic reasons for mixed-cropping include: enhanced food production, increased farm incomes and insurance against risks and uncertainties in farming. This basic form of cropping has remained as it is quite acceptable to the Nigerian land tenure structure. Other variants of mixed cropping are double cropping, multiple cropping and inter-cropping.

### *Sole Cropping*

This is a system whereby farm lands are planted

with only one crop, such as yams or maize. This cropping pattern is common with large-scale farmers as it lends itself to mechanisation. In the south, sole cropping is mainly in respect of tree crops while in the north, it is predominantly food crops and fibers.

### **Land Use Pattern**

Land is one of the most important factor of agricultural production. Of the 98.321 million hectares of land available, 75.3 per cent is arable, 10.0 per cent is forest reserves and the remaining 14.7 per cent is made up of permanent pastures, built-up areas and uncultivable waste lands. Despite the large expanse of arable land in Nigeria, acquisition of a sizeable portion for farming is an arduous task owing to the existing tenural arrangement. Thus, constraints to acquisition of land result in the use of marginal lands, leading to low production and low farm incomes.

Prior to 1978, the land tenure system could be broadly classified into feudal system in the north (in which land is held in trust by the traditional ruler) and family ownership in the south. Relatively, it was easier to access land in the north than the south. Also, the tenural system in the south encouraged fragmentation of holdings. In the bid to address these problems, government in 1978 promulgated the Land-Use Decree which became the Land-use Act in 1980.

### **Agricultural Policies: Objectives, Instruments and Outcomes, 1960-1998**

Agricultural policies were targetted at improving the performance of the sector during this period. A review of the policy objectives, instruments and strategies are discussed as follows:

### **Policy Objectives and Instruments**

Agriculture has traditionally been the mainstay of the Nigerian economy with many roles assigned to it in the course of the country's economic development. The objectives of agricultural policy, as contained in the four National Development Plans implemented during the period 1960-1985 and subsequent



rolling plans, could be broadly stated as follows:

- (i) promotion of self-sufficiency in food and raw materials for industries;
- (ii) improvement of the socio-economic welfare of rural people engaged in agriculture; and
- (iii) diversification of the sources of foreign exchange earnings through increased agricultural exports arising from adoption of appropriate technologies in food production and distribution.

Under the First National Development Plan, the federal government restricted itself to research activities for improving cash crops production. However, following the emergence of many problems especially food shortages, the government decided to play a more dynamic role in primary production beginning from the mid-1970s. Consequently, the policy instruments adopted were: provision of credit; intensification of agricultural research; input subsidy; price support; manpower development and training; mechanization; land reform and international trade regulation.

In order to ensure the realisation of policy goals, various institutions were established for supervising or for providing some of the essential supporting services required by the sector. Details of the policies and institutions established to administer them are highlighted below:

### *Agricultural Financing Policies*

The main objective of agricultural credit policies over the years has been to make adequate credit available to the farmers at the right time and at affordable cost. A policy measure adopted to achieve this during the period 1970-1985, was the purveyance of credit to the agricultural sector at concessionary interest rate. Based on the fact that banks were likely to discriminate against agriculture in granting credit facilities, financial institutions were compelled to support agricultural activities through credit quotas at concessionary interest rate (Table 4.5). In addition,

specialised lending institutions, namely, the Nigerian Agricultural and Cooperative Bank (NACB) and Nigerian Agricultural Insurance Company (NAIC) were established in 1973 and 1987, respectively, to increase supply and access to credit through concessional lending condition (Table 4.6 and 4.7). In the same vein, rural banking programme which required banks to establish specified number of rural branches was promulgated in 1977. They were required to lend at least 45.0 per cent of funds mobilised in those areas to rural dwellers for investment in various economic activities. Furthermore, in order to assist banks to aggressively support agriculture, the Agricultural Credit Guarantee Scheme Fund (ACGSF) was introduced in 1987 to guarantee banks' exposure and minimize lending risk.

With the introduction of the Structural Adjustment Programme (SAP) in 1986, financial market reform was given prominence. Interest rates were deregulated in 1987 and sectoral credit allocation policies were phased out in October 1996. The government still continued to finance agricultural development, but disengaged from funding direct production which has been left completely for the private sector. Financial institutions such as the Peoples' Bank of Nigeria and community banks were established with the objective of making more credit available to the rural sector.

An evaluation of these financial policy measures showed that they had little or no impact on agricultural production. Annual loans to agriculture exhibited impressive growth, but the proportion of the sector actually served remained very small, reflecting the fact that financial institutions did not generally comply with policy stipulations (CBN/NISER, 1992). There was also no guarantee that the reported loans were actually applied to agriculture since credit is fungible. It was also evident that the overall effectiveness and financial viability of NACB was constrained by over-dependence on government subvention, its inability to attract deposits and access loanable funds, poor loan recovery performance, high transaction costs, and eventual financial distress. Available data also show that only a small fraction of rural deposits was actually being lent to bonafide rural enterprises (Table 4.



The SAP reforms substantially redressed and eliminated the abuses inherent in credit rationing. However, interest rates rose and remained high in response to inflation, but real rates remained largely negative until 1997. The improve performance of agriculture in the SAP period does indicate that agriculture responded positively to reforms. The vicissitudes of the specialised lending institutions in the liberalised financial environment is attributable to the lack of government financial support, their preclusion from savings mobilisation and the dominant effect of widespread distress in the financial system.

### *Agricultural Research and Training*

Agricultural research and training policy was designed to ensure that research is geared towards the relevant and practical needs of Nigerian agriculture. In line with the above focus, the broad objective was to facilitate the development of appropriate technology and high-yielding animal and crop varieties to enhance output. Specifically, adoption of appropriate technologies for land preparation, planting, harvesting, processing and storage of farm produce as well as development of fast-growing species of trees to enhance forestry production, propagation of aquaculture and break-throughs for effective control of animal and plant diseases was encouraged. The policy remained basically the same throughout the period except for more commitment from the government in terms of provision of increased funding and incentives. Furthermore, research was more nationally coordinated with a stronger liaison between research and extension from 1980 to 1998.

The strategies adopted to aid the implementation of research and training policy included the establishment of more agricultural research institutions to conduct research into all aspects of crop, livestock, fishery and forestry development, and to encourage proper liaison between research institutes and agricultural extension agents. There are now 19 national research institutions in the network.

Although the research institutes developed several crops and livestock varieties, their impact on national production has been hardly felt owing to a

number of problems. These include shortage of funds which has resulted in reduced scale of activities, lack of patronage for commercialising research findings, and frequent changes in supervising ministries, especially between the Federal Ministry of Agriculture and Federal Ministry and Science of Technology.

### *Agricultural Extension*

The major objective of the agricultural extension policy, which has remained basically the same throughout the period 1960-1998, is to disseminate proven agricultural technology to farmers, to increase output and raise their standard of living. A number of strategies were adopted to facilitate realisation of the stated objective. Demonstration farms and rural processing centres were established for crops, livestock, fisheries and forestry to encourage farmers to adopt the innovation. The key institution of agricultural extension is the network of Agricultural Development Projects (ADPs). The first three enclave ADPs took off in Gusau, Funtua and Gombe in 1975 and increased to ten by 1985. The number increased to 31 in 1993, with an ADP in each state of the Federation and Abuja. There are four integrated core development components in ADP activities. These are adaptive research, agricultural extension, input supply and rural infrastructure.

A critical appraisal of the activities of the ADPs revealed that they performed very well as enclave ADPs, but performed less satisfactorily as State-Wide ADPs as their resources, both human and material, were over stretched. Furthermore, the state-wide ADPs were constrained by non-payment of the counter-part funding by the governments (Federal and State) which resulted in non-release of World Bank funding for their activities. Under the ADPs, however, there was remarkable improvement in input supplies, but the involvement of the private sector in agricultural information dissemination was very limited.

### **Rural Development**

The objectives of rural development policy are: the improvement of the quality of life of rural people



with a view to stemming the tide of rapid rural-urban population drift; the promotion of a sustained and orderly development of the vast resources available in the rural areas for the benefit of the rural population; and the creation of an infrastructural base which is conducive to profitable investment.

Rural development policy instruments used were the provision of basic infrastructural facilities like roads, aimed at facilitating input supply and agricultural products evacuation, pipe borne water, electricity, educational facilities, health care as well as improved access to financial assistance. The major agencies and programmes used were, Directorate of Food, Roads and Rural Infrastructure (DFRRI), National Directorate of Employment (NDE) and Better Life/Family Support Programme. The objectives of rural development were not achieved as the quantum of rural infrastructure provided were not sufficient to stem rural urban migration. In addition, the oil boom provided impetus for massive migration to cities in search of better opportunities.

#### *Water Resources Development*

The broad objective of water resource development was to adopt a comprehensive regional approach to integrated water development. To this end, the Federal Ministry of Water Resources and the River Basin Development Authorities (RBDAs) were established. The major functions given to the RBDAs included the development of underground water resources, control of floods and erosion, construction and maintenance of dams, dykes, polders, wells, boreholes, irrigation and drainage systems, among others.

Unfortunately, this integrated approach to development and utilization of water resources was not sustained owing largely to the policy inconsistencies regarding the number of operational RBDAs and their functions. For instance, the number of RBDAs which was 11 in 1977 was increased to 18 in 1984 but reverted to 11 in 1986 and their functions were strictly restricted to water resources management. Consequently, the RBDAs have disposed off their non-water assets, but most of them in the south do not have

irrigational facilities to sustain all-year round agricultural activities.

#### *Agricultural Pricing and Marketing Policy*

The objectives of marketing and pricing policies have been to ensure stable and remunerative incomes for farmers, while shielding them from the adverse effects of price fluctuations in the international market. The main instrument for effecting government agricultural marketing and pricing policy was the marketing boards. They metamorphosed from regional marketing boards to four country-wide commodity boards. Subsequent reforms culminated in the establishment of seven commodity boards in 1977. In addition to guaranteeing stable prices for export commodities, during the commodity boards era, farm inputs were subsidized to stimulate wide spread utilization of modern inputs so as to increase agricultural production. Inputs whose prices were subsidized included fertilizers, plant protection chemicals such as pesticides and agricultural equipment. From the late 1970s to early 1980s, the level of subsidies ranged from about 75.0 per cent on fertilizer to almost 100.0 per cent on pesticides. This generally had the effect of sharp increase in the utilization of these inputs. For instance, fertiliser consumption rose from 150,960 metric tonnes in 1975 to peak at 1,590,000 tonnes in 1993 (Table 4.8). Subsidies on inputs such as fertilizers, chemicals and agricultural equipment were reduced and finally removed by the end of 1997.

The actions of commodity boards in the early 1970s had a depressive effect on farm output and incomes as they were noted for paying farmers prices that were far lower than the world prices and sometimes even below their production costs. It was observed that prices paid to farmers between 1970 and 1985 were less than 70.0 per cent of world market prices (CBN/NISER SAP 1992). These differences represented implicit taxation on farm incomes and constituted a serious disincentive to domestic production. With the introduction of SAP in 1986, the commodity boards system was abolished and commodity prices were liberalised. The abolition of commodity boards eliminated the implicit taxation of farm incomes



herent in their operations. The prices did not only converge with world market prices but were further boosted by the depreciation of the local currency. The input subsidy was successful to a large extent as more farmers adopted the use of modern inputs, but the inputs, in most cases did not get to the end users at the recommended prices owing largely to the activities of middlemen. In addition the budgetary cost of providing subsidies was enormous and became unsustainable with dwindling government resources (Table 4.9).

In spite of the virtues of the new policy, there were some obvious problems. Firstly, exchange rate depreciation affected the price of imported inputs which rose substantially, while the removal of subsidies implied high input prices which reduced profit margins. Secondly, there have been complaints about the deterioration of produce quality that was taken for granted under the commodity boards system. Thirdly, individual farmers/merchants were exposed to sharp fluctuations in the world commodity prices without any legal marketing arrangements to enable them hedge against these risks. In view of these exposures, proposals were made to Government that a Commodity Exchange Market be established. As at end 1998, the concept is yet to be actualised.

#### **Assessment of Agricultural Sector Performance, 1960-1998**

The capacity of the agricultural sector to fulfil its traditional roles in the Nigerian economy has been constrained by various socio-economic and structural factors since independence in 1960. These include, the civil war of the late 1960s, the severe drought of the early 1970s and 1980s and the discovery of oil. The oil boom of the 1970s created relative disincentives for agriculture in relation to other sectors of the economy, while the oil price slump in the 1980s rekindled interest in of the sector, the macroeconomic and sectoral reforms of the late 1980s further produced favourable environment for agricultural growth. The following trend analysis is therefore undertaken to give a sharper focus to the performance of the sector.

#### *Output Growth*

Agricultural sector output as proxied by its contribution to GDP averaged 50.2 per cent during the period 1960-70. Thereafter, its contribution declined persistently, reaching a low of 21.8 per cent in 1976-1980 before an upward swing to 39.6 per cent in 1981-1985. The contribution increased further to 41.2 per cent in 1986-90 following the introduction of SAP in 1986, but declined to 38.7 per cent in the subsequent period. Available data on indices of agricultural production showed that the sector recorded an average negative growth of about 2.6 per cent, during the period 1970-1980 and rose to 2.6 per cent in 1981-1985. Thereafter, the output growth rate increased to 10.0 per cent in 1986-1990 but declined in the subsequent period of 1991-1998. The performance of the crop sub-sector and the staples component followed the trend of the aggregate index, recording negative growth rates which averaged 3.6 and 4.4 per cent in 1970-1975, and 3.7 and 6.7 per cent in 1976-1980, respectively. The growth rates of crops and staples sub-sectors rose to 2.5 and 3.9 per cent, in 1981-1985 and further to 12.0 and 13.0 per cent, respectively, in 1986-1990. There was a decline in growth rates during the period, 1991-1998. "Other" crops component of the crops sub-sector, mainly cash crops showed improved performance, with consistent positive growth rates, except in 1981-1985. In the same vein, fishery and forestry sub-sectors recorded positive growth rates during the period, except in 1981-1985. Livestock output fell during the period 1970-1980 but rose throughout the subsequent periods (Table 4.10).

The decline in agricultural production index in the period 1970 - 1980 and the low growth in the period 1981 - 85 were attributable largely to the distortion in relative prices brought about by the progressive appreciation of the Naira during the oil boom era. Thus, the positive impact of increased government intervention in agricultural development through increased allocation of capital, input supply, marketing, as well as involvement in direct agricultural production was more than offset by the negative impact of



relative price distortions. Nigerian agricultural products lost competitiveness as international prices were often below domestic costs. Some traditional export products disappeared while cheaper imports displaced some domestic food crops e.g. rice, maize, flour etc. The sharp increase in the production trend between 1986 and 1990 reflected the favourable response of agricultural production to SAP measures. Available information indicate that the growth rate of aggregate agricultural production between 1986 and 1996 was 7.5 per cent. This was significantly higher than the pre-SAP period dominated by negative growth rates.

### *Agricultural Trade*

The value of agricultural export which stood at an average of ₦279.9 million in 1966-1970 declined to 260.3 million in 1971-1975, reflecting the poor performance of the agricultural sector during 1966-1975 (Table 4.12). Between 1976-1980, which coincided with the commodity boom period, it rose to ₦408.7 million before declining sharply to ₦270.8 million in 1981-1985, owing largely to decline in cash crop production. In fact, most traditional export commodities such as groundnut, palm oil and cotton disappeared from the export list. This was also a result of the implicit and explicit taxation of cash crops producers. During the SAP, export earnings grew to ₦1,822.9 million in 1986 - 1990 for primary agricultural commodities alone. The export basket also expanded with non-traditional export commodities such as tubers, fruits and spices coming on board. In addition, export of manufactures and semi-manufactures of agricultural products which earned only ₦37.2 million in 1981 - 1985 recorded the sum of ₦214.9 million in 1986 - 1990, as Nigeria became an exporter of textiles, soap/detergent, beer/beverages, tyres and processed skins in addition to cocoa products.

Food import also rose astronomically from 45.0 million in 1966-1970 to ₦163.8 million in 1971-1975. By 1976-1980, it had grown to ₦991.0 million reflecting the food supply gap and the impact of depreciating exchange rate. To discourage further food importation, after 1980, when the price of oil crashed and for-

ign exchange earnings declined considerably, government imposed outright ban on the major food items that had hitherto attracted quotas-cum-tariff protection (rice, maize, vegetable oils, wheat and poultry) (Table 4.13).

### *Prices*

Price is another major indicator of agricultural performance. This indicator measures the contribution of the sector to price stability in the domestic economy and the returns on investment. Analysis of the data during the period under review showed that the prices of most of Nigeria's major agricultural export commodities and staples trended upward from 1973-1998. For instance, the prices of cassava, maize, sorghum, and beans increased from ₦455, ₦552, ₦292, and ₦213 per tonne in 1976-1980 to ₦985, ₦1,038, ₦693, and ₦523, respectively, in 1981-1990. By 1991-1998, the price of cassava had increased five fold from the 1981-1983 level, while a tonne of beans sold for 18,601 in 1991-1998 compared to ₦523 in 1981-1985 (Table 4.15). The collapse in the world commodity market in the early 1980s, the SAP policies of backward integration imposed on local industries and the lifting of the ban on the export of non-traditional export commodities contributed to the significant price increases.

In relative terms, farmers benefited from the nominal price increases as a result of increased returns on their investments, the consequent increase in the price of inputs notwithstanding. This encouraged farmers to intensify cultivation of many cash crops which had hitherto been neglected. This development, however, negated one of the policy objectives of the sector, which is to ensure stable domestic prices through increased agricultural production. Nonetheless, this development mirrored to a large extent the general price trend in the economy.

### *Structural Changes*

Some structural changes have been observed in the agricultural sector during the period under review. With respect to technological transformation, there has



been a gradual shift from reliance on traditional farm inputs (hoes, cutlass, low yielding plants and animal varieties) to modern ones (hybrid seeds/seedlings, agro-chemicals, fertilizers, farm machineries and implements). Furthermore, with the activities of research institutes and other agents of change, crops such as cassava, Irish potatoes and oranges which were hitherto confined to certain ecological zones are now grown in other ecological zones. Prominent among the agents of change have been the extension activities of Ministries of Agriculture and the ADPs which disseminate improved technologies to farmers.

### **Outstanding Problems of Nigerian Agriculture**

The previous sections have generally discussed the level of development of agriculture since the 1960s and its contribution to the growth of the economy. It is obvious from the analysis, that there are fundamental problems attributable largely to the characteristics of Nigerian agriculture. It is also evident that unfavourable environmental as well as poor implementation of economic policies were detrimental to output increases in the sector. Thus, the pace of modernisation of the sector has been very slow. These problems and other outstanding constraints discussed in detail below, have prevented the sector from fully contributing to the achievement of the set objectives including laying a solid foundation for Nigeria's agrarian base.

#### *Inadequacies in the Supply and Use of Farm Inputs*

Inadequacy of critical farm inputs such as for increased agricultural production (fertilizers, seeds, agro-chemical etc.) at the appropriate time and also at the right prices has remained a source of worry and frustration to farmers and policy makers. Government's efforts at developing efficient and effective input procurement and distribution systems that would ensure timely delivery of adequate quantity and quality of farm inputs to farmers have only been partially successful. In spite of the huge sums of money spent on procurement and subsidies on farm inputs, the problems of availability, accessibility, and sustainability still

remain. Efforts to modernise the sector through adoption of improved technological packages have been compromised by the deficiency in the supply and distribution of complementary farm inputs.

The persistence of input supply problem has been associated largely with the issue of subsidy and its administration, as illustrated by bottlenecks in the procurement and distribution of fertilizer by the Government over the years. The regulation of the price of a commodity whose supply could not match demand at the stipulated prices encouraged rent-seeking behaviour, with the subsidy going to unintended beneficiaries (corrupt officials, fertilizer contractors, haulers etc) to the detriment of farmers.

#### *Inadequate Working Capital*

Most farmers are small-holders who do not have adequate capital to expand their scale of operations and/or take advantage of profitable packages of technology to boost productivity. The bulk of capital injection by this category of farmers come from owners' equity and informal credit sources. The price and exchange rate reforms that accompanied the SAP of 1986 substantially raised the costs of production and significantly increased the working capital needs of agricultural activities. Long and cumbersome bureaucratic processes in credit delivery constrained the flow of credit through government established credit schemes.

#### *Low Rate of Adoption of Appropriate Technology*

The low capital base of most farming enterprises in Nigeria has had adverse effect on the rate of adoption of appropriate technology. The reduction and/or outright elimination of subsidies on all agricultural machineries like tractors, harrows, harvesters and planters following deregulation has also affected the rate of adoption of appropriate technology. This situation has compelled farmers to continue to make use of traditional technologies which are notorious for drudgery and minimal contribution to growth in the sector.



### *Disease and Pest Infestation*

The incidences of pest and disease infestation continue to reduce the gains from food and livestock production. Some of the major crops pests and diseases include *rosette virus* which has had a disastrous effect on groundnut production; *downy mildew* and *striga* on maize and sorghum; *black sigatoka* on plantains and bananas; and the *green spider mite* pest attack on cassava. Diseases and poor nutrition have also been constraining factors to livestock development. *Pest de petis ruminants* and *helminths* are major diseases that hinder increased production of small ruminants (sheep and goats). Other diseases which constrained increased livestock production include *contagious bovine pleuro-pneumonia*, *trypanosomiasis*, foot and mouth disease, and *rinderpest*. These have contributed to high mortality in livestock while *fowl pox* and *coccidiosis* accounted for a high mortality rate in poultry.

### *Poor Post-Harvest Technology*

The post-harvest technology adopted by farmers is poor and grossly inadequate for effective produce preservation to cope with a vibrant market-oriented food production. Apart from the damage which the crops are exposed to in the field as a result of pests and disease attacks, a considerable proportion of the harvest is lost to poor processing and storage techniques. Crop losses have been estimated to be as high as 20 per cent of harvest in some cases.

### *Environmental Hazards*

The problems of drought, desertification and soil erosion have remained very serious. These problems often manifest in the forms of soil degradation and deforestation. While some of these environmental changes are caused by natural forces, others are induced by the direct result of human actions. Such actions include: over-grazing, bush burning and deforestation associated with increased population and poor conservation practices.

### *Labour Constraints*

Labour constraint has persistently hindered agricultural production. A significant proportion of required agricultural labour has become increasingly difficult to mobilize, particularly at periods of peak demand. Labour shortage has been aggravated by substantial reduction in the supply of family labour through persistent drift of rural labour to the urban areas in search of higher wages. In order to cope with the high cost of labour, farmers are compelled to reduce farm holdings to manageable sizes, thus curtailing potential contribution of this factor to agricultural production.

### *Land Constraints*

The problem of land constraint for agricultural development seems more complex than often acknowledged. There is considerable cost in bringing uncultivated most of the land that is currently not being cultivated. Most of such parcels of land require substantial investment in land preparation, irrigation, reclamation, flood and erosion control to permit their use for agricultural purposes. In recent years, government has acquired large expanse of land for non-agricultural purposes, such as road construction, housing and industrial estates development. In addition, increasing urbanization as well as desert encroachment have deprived agriculture of some of the cultivable land. These competing needs for land hitherto reserved for agricultural production have brought greater pressure on available land.

### **Prospects and Policy Implications**

The analysis in this chapter has shown that the agricultural sector has a key role to play in the growth and development of the Nigerian economy. This section discusses policy implications and recommends actions that would facilitate the attainment of Nigeria's agricultural potential.

The policy implications are that the sector would require injection of new technologies through research and development as well as pragmatic economic poli-



cies to increase productivity. This can be achieved by evolving and implementing a policy package which will create the enabling environment for the private sector to assume a leading role in agricultural production. These policies and programmes should be complemented by increased budgetary provisions by government for agricultural research, extension and rural infrastructure.

The key policy strategy being suggested for sustainable agricultural development are as follows:

- (i) For effectiveness, fertilizer procurement and distribution should be privatised with Agricultural Development Projects (ADPs), farmers cooperatives and private individuals as the major agents. Such an approach would ensure timely availability of farm inputs and the desired impact on crop yields.
- (ii) There is need to improve the maintenance and provision of required infrastructure. It is generally recognised that the deplorable state of some existing infrastructure and the lack of such facilities in rural areas have severely constrained agricultural production. The provision of access roads in rural areas and continued maintenance of existing ones, to enhance agricultural output and minimize costs of produce evacuation, should be tackled more vigorously by relevant government agencies. The private sector should be involved in the construction of storage facilities on cost recovery basis to minimize post harvest crop losses and make food available at reasonable prices during off-seasons.
- (iii) Sustained development of agricultural institutions to contribute to competitive marketing, pricing and quality control of agricultural produce should be accorded high priority. The abolition of pre-SAP marketing boards have left a vacuum in the areas of agricultural produce quality control and minimization of seasonal fluctuations in produce prices. Thus, in addition to further strengthening of existing

produce inspecting institutions and agencies, the proposed Commodity Exchange should be established to facilitate competitive marketing of agricultural commodities, stabilization of produce prices and surveillance over quality control.

- (iv) Anomalies with respect to lending for investments in agricultural production should be rectified, while private sector investments should be encouraged. With respect to credit supply, farmers generally complain that loans are often disbursed late (sometimes after the planting season), with actual disbursement falling far short of loan approvals. Lending banks claim that credits are curtailed or delayed because of rising incidence of defaults in loan repayment. Improper monitoring of agricultural projects by lending banks might have contributed to non-performance of such projects. Banks should be encouraged to lend to self-help groups to ensure higher rate of loan repayment which has been facilitated by peer pressure, lower transaction costs for all parties and better spread of loans to all agricultural activities.
- (v) Government has an important role to play in agricultural development through provision of an enabling environment for the private sector, grass-root organizations and cooperative/self-help groups to effectively engage in agricultural production. Specifically, government should sustain its drive to achieve a stable macroeconomic environment, largely reflected by continuous reduction in the rate of inflation and exchange rate stability. On the social front, government should ensure security of life and property to attract domestic and foreign investments to the sector. In addition, necessary review and strengthening of existing legislation to facilitate improved access to land should be undertaken periodically.
- (vi) Another area which deserves serious attention

is the problem of continuous application of traditional and inappropriate technology in the agricultural sector. Adoption of modern farming/husbandry practices, such as the planting of improved seeds/seedlings, agricultural chemicals for pest and disease control, mechanization to reduce drudgery and enhance yields is generally recognised as a means of minimizing the problem of low agricultural yield and output. Farmers should be assisted to source improved technologies, capable of increasing output, at reasonable costs.

(vii) Sectoral policy analysis capability and implementation should be strengthened. This entails reconciling planning with implementations and carrying out regular analysis of sector-specific issues such as marketing, pricing, and land-use policies.

(viii) There is need to further strengthen agricultural research activities at all levels. The research system has been partly rehabilitated through the preparation of a National Agricultural Research Plan. There is, however, the need for increased and stable funding for research activities, proper coordination and guidance of research efforts, strengthening of the linkages

among research institutes, national universities and international/regional research centres as well as adequate training of research scientists and technical support staff in specialised skills. The rural/agricultural environment should be increasingly protected through appropriate management of land, water and forestry resources and reduction of pollutants. A comprehensive programme of soil and moisture conservation, through intensification of practices such as contour farming, alley cropping and appropriate vegetative covering, should be encouraged. These measures call for adoption of suitable afforestation, grazing, flood and land-slide control programmes.

(ix) Greater attention needs to be given to overall human resource development in the sector. Agronomists, monitoring and evaluation officers, extension staff, livestock, fishery and forestry specialists as well as forest guards should be provided with opportunities to update their skills and keep abreast with current developments in their fields. In the absence of skilled and dedicated personnel, other efforts to promote Nigerian agriculture will hardly yield expected results.



**TABLE 4.1**  
**GROSS DOMESTIC PRODUCT AT 1984 FACTOR COST 1960-1998**  
**(N BILLION)**

YEAR	Gross Domestic Product at 1984 Factor Cost	Agricultural GDP (N Billion)	Agricultural GDP as a Percentage of Total GDP
1960	33.75	19.5	58.2
1961	33.50	18.9	56.4
1962	34.90	19.8	56.7
1963	38.10	21.2	55.6
1964	39.90	21.2	53.1
1965	42.50	21.2	49.9
1966	41.00	19.5	47.6
1967	34.60	16.6	48.0
1968	34.30	16.3	47.5
1969	43.60	18.6	42.7
1970	54.20	22.4	41.3
1971	65.70	23.6	35.9
1972	69.30	21.8	31.5
1973	73.80	20.4	27.6
1974	82.40	22.7	27.5
1975	80.00	20.4	25.5
1976	88.90	19.8	22.3
1977	96.10	21.5	22.4
1978	89.00	19.5	21.9
1979	91.20	17.5	19.2
1980	96.20	22.5	23.4
1981	70.40	24.5	34.8
1982	70.20	25.1	35.8
1983	66.40	25.0	37.7
1984	63.00	31.1	49.4
1985	68.90	27.8	40.3
1986	71.10	30.4	42.8
1987	70.70	29.4	41.6
1988	77.80	32.3	41.5
1989	83.50	33.8	40.5
1990	90.30	35.8	39.6
1991	96.60	36.5	37.8
1992	97.00	37.3	38.5
1993	100.00	37.8	37.8
1994	101.30	38.6	38.1
1995	103.50	40.0	38.6
1996	107.00	41.7	39.0
1997	110.40	43.5	39.4
1998	113.00	45.6	40.4
<i>Memorandum Item</i>			
<b>AVERAGE GROWTH RATE</b>			
1960-1965	4.9	1.8	55.0
1966-1970	6.3	2.0	45.4
1971-1975	8.4	-1.5	29.6
1976-1980	4.0	2.9	21.8
1981-1985	-5.7	4.9	39.6
1986-1990	5.6	5.3	41.2
1991-1998	2.3	3.2	38.7
<i>Source: Federal Office of Statistics. Lagos</i>			

**TABLE 4.2**  
**ARABLE LAND (HECTARES) PER CAPITA**

YEAR	Average Land Area Per Capital 1/	Arable Land Area Per Capital 2/
1961	1.858	1.391
1962	1.811	1.356
1963	1.766	1.322
1964	1.723	1.290
1965	1.681	1.258
1966	1.640	1.227
1967	1.600	1.198
1968	1.561	1.168
1969	1.517	1.135
1970	1.475	1.104
1971	1.446	1.088
1972	1.417	1.067
1973	1.389	1.046
1974	1.362	1.026
1975	1.335	1.005
1976	1.309	0.986
1977	1.283	0.966
1978	1.259	0.947
1979	1.234	0.936
1980	1.210	0.911
1981	1.186	0.893
1982	1.163	0.876
1983	1.141	0.859
1984	1.118	0.842
1985	1.171	0.882
1986	1.229	0.925
1987	1.204	0.907
1988	1.180	0.889
1989	1.157	0.871
1990	1.133	0.853
1991	1.110	0.836
1992	1.078	0.812
1993	1.047	0.788
1994	1.016	0.765
1995	0.987	0.743
1996	0.958	0.721
1997 3/	0.930	0.700
1998 3/	0.903	0.680

1/ Total Land Area = 98.321million ha.

2/ Total Readily Available Cultivable Land =74.030 million ha.

3/ Projected.

**Source:**

Adapted from FMANR - Agricultural Development in Nigeria 1973 - 1985.

The assumptions are (i) 10% of land area are in forest reserves, 34.8% under arable and permanent crops and 40.5% area that could be brought under cultivation.



TABLE 4.3

AVERAGE TOTAL RAINFALL 1/ 1960 - 1998  
(mm)

Year	Akwa	Anambra	Bauchi	Edo	Benue	Borno	Cross	Adamawa	Imo	Kaduna	Kano	Katsina	Kwara	Lagos	Niger
1960	2,991	2,006	1,075	2,138	1,258	876	2,991	1,166	2,006	1,463	757	703	1,582	1,679	1,290
1961	2,496	1,412	974	2,337	1,062	723	2,496	898	1,412	1,029	780	78	803	1,908	1,067
1962	3,297	1,838	790	2,109	1,424	678	3,297	909	1,838	1,321	1,140	691	1,681	2,220	1,581
1963	2,804	2,005	1,055	2,392	1,757	689	2,804	1,326	2,005	1,359	704	785	1,597	1,871	1,068
1964	2,778	1,563	1,237	1,849	1,461	453	2,778	995	1,563	1,235	1,074	994	1,074	1,499	1,487
1965	3,131	1,904	1,013	3,049	1,192	578	3,131	747	1,904	1,227	904	739	1,158	1,761	1,180
1966	2,653	1,756	864	2,201	1,563	623	2,653	850	1,756	1,407	778	699	1,237	2,104	1,334
1967	2,456	1,845	1,143	2,053	1,126	89	2,456	1,055	1,845	1,141	789	688	875	1,592	1,185
1968	2,959	1,677	1,066	2,158	1,444	630	2,959	1,105	1,677	1,377	611	455	1,595	2,851	1,383
1969	3,317	1,753	863	2,284	1,429	583	3,317	1,081	1,753	1,440	909	706	1,512	1,779	1,110
1970	2,817	2,205	759	2,151	1,334	740	2,817	852	2,205	1,037	922	555	344	1,845	1,251
1971	2,953	1,950	1,179	2,103	1,362	503	2,953	773	2,204	1,276	706	475	1,167	1,483	1,158
1972	2,957	1,870	881	1,699	1,234	440	2,957	1,298	2,021	1,214	669	441	1,214	1,382	837
1973	2,110	1,567	1,239	2,075	882	433	2,110	903	2,731	1,226	416	631	1,451	1,125	1,178
1974	2,556	1,980	819	2,193	1,253	612	2,556	759	2,019	1,444	661	564	1,142	1,271	1,288
1975	2,668	1,449	1,151	2,307	1,227	671	2,668	949	2,508	1,348	713	568	1,116	1,271	1,227
1976	2,993	1,829	991	2,436	1,263	715	2,993	990	3,430	1,248	545	597	1,173	1,168	1,111
1977	2,647	1,546	988	2,689	1,050	658	2,647	936	1,554	982	786	526	929	1,123	678
1978	3,298	1,968	n.a	2,435	n.a	464	3,298	994	1,229	1,438	931	776	1,209	1,629	1,408
1979	2,817	n.a	988	n.a	1,105	711	2,817	798	1,878	1,476	723	773	1,193	1,655	917
1980	3,554	n.a	n.a	n.a	1,427	621	3,554	1,142	n.a	909	912	555	1,237	1,685	1,278
1981	2,737	n.a	1,251	1,827	1,262	462	2,737	985	n.a	1,226	575	495	1,287	1,471	1,086
1982	2,809	1,425	897	1,969	952	318	2,809	789	2,112	1,313	638	425	1,207	1,934	876
1983	2,280	1,146	773	1,624	928	445	2,280	789	1,780	900	499	900	1,158	9,950	595
1984	1,333	1,774	885	1,968	1,458	314	1,333	963	1,967	579	463	579	1,120	1,078	976
1985	2,052	1,763	834	2,086	1,006	426	2,052	958	2,397	905	656	905	977	1,242	1,178
1986	2,001	1,307	957	1,622	1,096	461	2,001	953	2,484	640	685	640	1,320	1,159	1,155
1987	1,626	1,091	698	1,409	930	302	1,626	581	1,941	891	426	891	921	1,439	772
1988	2,239	1,731	921	3,328	841	661	2,027	1,077	2,037	1,188	1,046	664	1,279	2,061	1,116
1989	1,630	1,759	909	2,220	1,244	562	2,166	886	1,724	832	700	832	1,293	1,522	1,170
1990	2,252	2,154	880	2,859	1,011	435	2,588	1,047	2,235	1,022	566	579	1,080	1,848	1,101
1991	3,211	2,026	950	2,818	1,105	817	2,498	965	2,565	1,407	n.a	905	1,532	1,898	1,171
1992	3,380	748	1,228	1,647	618	611	2,092	23	1,855	1,095	561	640	354	1,462	1,001
1993	2,177	464	804	402	676	232	2,087	934	1,670	987	852	891	89	1,716	997
1994	1,611	690	491	1,945	266	54	1,278	108	1,118	1,061	n.a	282	n.a	1,054	844
1995	2,130	1,756	452	1,655	276	271	3,089	287	2,576	720	516	68	268	773	801
1996	1,131	1,570	843	2,539	773	292	1,399	252	2,020	1,031	434	125	617	1,546	797
1997	586	1,475	899	1,765	1,309	466	3,211	964	1,531	1,110	1,250	497	1,015	1,541	1,117
1998	1,900	1,618	1,156	2,039	1,349	534	1,643	1,044	4,423	1,879	1,625	148	1,105	1,441	1,244



**TABLE 4.3 contd**  
**AVERAGE TOTAL RAINFALL 1/ 1960 - 1998**  
**(mm)**

Year	Ogun	Ondo	Oyo	Plateau	Rivers	Sokoto	FCT Abuja	Delta	Enugu	Abia	Taraba	Yobe	Kogi	Osun	Kebbi	Jigawa	National Average
1960	1,693	1,403	1,371	1,464	2,991	900	1,290	3,234	2,006	2,283	1,166	514	1,278	1,390	900	757	1,026.7
1961	1,743	1,369	1,013	949	2,642	647	1,067	2,613	1,412	2,078	898	609	1,113	1,238	647	780	867.3
1962	2,339	1,709	1,478	1,339	3,005	698	1,581	2,963	1,838	2,537	909	441	1,314	1,518	698	1,140	1,062.7
1963	2,214	2,451	1,322	1,589	2,067	793	1,068	3,205	2,005	2,275	1,326	647	1,474	1,645	793	704	1,065.7
1964	1,359	1,385	1,511	1,325	2,582	729	1,487	2,605	1,563	1,387	995	536	1,120	1,053	729	1,074	893.3
1965	1,852	1,633	1,414	1,215	2,650	979	1,180	2,932	1,904	2,346	747	564	1,167	1,463	979	904	996.9
1966	1,342	1,584	1,422	1,347	2,960	677	1,334	3,222	1,756	1,776	850	461	1,392	1,414	677	778	958.1
1967	1,531	1,284	845	1,347	2,897	612	1,185	2,980	1,845	1,988	1,055	517	1,015	1,107	612	789	900.4
1968	2,284	2,240	1,873	1,567	2,988	484	1,383	2,740	1,677	1,966	1,105	489	1,261	1,108	484	611	1,010.8
1969	1,129	1,677	986	1,722	2,788	681	1,110	3,104	1,753	2,066	1,081	391	1,364	1,208	681	909	943.7
1970	1,775	1,338	1,276	1,071	2,382	985	1,251	2,818	2,205	2,245	852	533	1,278	1,276	985	922	1,345.8
1971	1,277	1,444	967	1,432	1,964	810	1,158	2,755	1,950	2,204	773	461	1,409	967	810	706	1,405.8
1972	1,358	1,270	1,039	1,336	2,225	745	837	2,457	1,870	2,021	1,298	248	1,329	1,039	745	669	1,352.0
1973	1,323	1,500	1,368	1,361	1,837	722	1,178	2,518	1,567	2,731	903	259	932	1,368	722	416	1,339.0
1974	1,207	1,657	1,148	1,306	2,205	853	1,288	2,881	1,980	2,019	759	602	1,194	1,148	853	661	1,394.0
1975	1,578	1,809	1,184	1,378	2,527	866	1,227	2,905	1,449	2,508	949	558	1,235	1,184	866	713	1,471.0
1976	1,367	1,442	903	1,446	2,328	884	1,111	2,807	1,829	3,430	990	430	1,048	903	884	545	1,487.0
1977	1,149	1,336	960	1,177	2,236	766	678	2,070	1,546	1,554	936	509	913	960	766	786	1,273.0
1978	1,884	1,885	1,519	1,470	2,262	1,126	1,408	2,383	1,968	1,229	994	497	1,498	1,519	1,126	931	1,597.0
1979	1,684	1,778	1,755	1,213	n.a	1,106	917	2,823	n.a	1,878	798	588	1,119	1,755	1,106	723	1,362.0
1980	1,906	2,069	1,966	1,108	n.a	894	1,278	2,503	n.a	n.a	1,142	340	1,127	1,966	894	912	1,400.0
1981	1,766	1,388	932	1,273	n.a	779	1,086	1,940	n.a	n.a	985	439	1,147	932	779	575	1,269.0
1982	1,109	1,291	771	1,330	n.a	614	876	3,065	1,425	2,112	789	409	852	771	614	638	1,176.0
1983	1,254	1,234	872	1,175	n.a	846	595	2,243	1,146	1,780	789	240	844	872	846	499	1,056.0
1984	1,089	1,297	1,481	1,155	1,836	502	976	1,968	1,774	1,967	963	314	1,120	1,481	502	463	1,170.0
1985	1,224	1,541	1,525	1,129	2,398	727	1,513	2,086	1,763	2,397	958	426	977	1,525	727	656	1,327.0
1986	852	1,364	1,097	394	1,616	767	1,560	1,622	1,307	2,484	953	461	1,320	1,097	767	685	1,306.0
1987	811	1,057	1,055	256	1,711	535	867	1,409	1,091	1,941	581	302	921	1,055	535	426	966.0
1988	1,619	1,623	1,265	1,239	2,336	846	1,217	3,328	1,731	2,037	1,077	661	1,279	1,265	846	1,046	1,426.0
1989	1,405	1,530	1,242	1,211	1,969	719	1,227	2,220	1,759	1,724	886	562	1,293	1,242	719	700	1,330.0
1990	1,406	1,502	1,197	1,230	2,262	718	1,400	2,859	2,154	2,235	1,047	435	1,080	1,197	718	566	1,434.0
1991	1,090	2,211	1,618	934	2,224	679	1,559	2,818	2,026	2,565	965	817	1,532	1,618	679	n.a	1,596.0
1992	1,342	1,547	1,105	867	1,427	400	1,367	1,649	1,705	1,855	328	297	1,075	1,405	668	561	1,149.0
1993	1,271	1,354	1,073	1,070	1,146	265	761	1,383	1,577	1,315	856	196	723	1,264	769	295	954.0
1994	1,257	1,238	1,073	877	411	777	1,164	645	1,513	n.a	n.a	n.a	838	855	970	n.a	897.0
1995	1,001	1,417	937	728	1,101	203	1,154	3,033	892	855	n.a	n.a	791	1,398	575	156	1,030.0
1996	1,244	1,436	1,183	1,331	2,392	653	1,040	1,906	1,049	922	303	707	1,118	1,349	n.a	n.a	594.0
1997	787	1,246	1,091	1,111	2,300	646	709	2,598	2,075	n.a	n.a	535	666	1,168	n.a	n.a	1,199.3
1998	886	1,544	1,248	1,337	2,204	501	1,625	1,655	1,478	n.a	n.a	724	881	1,383	908	794	1,390.1

1/ Though some states were not in existence as at 1960, data were collected from areas that now make up these states.

n.a = Not available

Sources:

(1) Meteorological Services Department, Oshodi, Lagos.

(2) Akintola, J. O. Rainfall distribution in Nigeria, 1892 - 1983.



Table 4.4

## STATES AND CROP POSSIBILITIES IN ECOLOGICAL ZONES

Ecological region	States in the region	Ecological crop specialisation
1 Sudan savanna	Sokoto, Katsina, Bauchi, & Borno	Cereals ,grains ,legumes , livestock , vegetables , seeds & nuts.
2 Guinea savanna	Niger , Kaduna , Benue , Plateau , Adamawa , Oyo & Kwara	Cereals ,grains ,legumes , root-crops, seeds & nuts and livestock.
3 Forest savanna	Kwara , Edo , Delta , Enugu , Benue & Bayelsa	Root-crops and tubers , cereals ,vegetables , fruits ,seeds and nuts grains ,legumes , livestock & fisheries.
4 Tropical rain forest	Oyo ,Ogun , Ondo, Edo , Delta Enugu , Rivers ,Cross River & Imo	Tree-crops ,root-crops and tubers , cereals , vegetables ,fruits ,seeds and nuts , grain legumes ,poultry ,fisheries & piggery.
5 Mangrove swamp	Lagos ,Ogun , Ondo , delta , Rivers & Cross River	Fruits vegetables , swamp rice ,maize grain legumes , fisheries & poultry.

TABLE 4.5

INTEREST RATE REGIME AND TOTAL CREDIT TO THE AGRICULTURAL SECTOR 1970 - 1998  
(N million)

Year	Interest Rate	Merchant Banks	Commercial Banks	N I D B	N B O
1970	n.a	n.a	7.0	n.a	n.a
1971	n.a	n.a	9.3	n.a	n.a
1972	n.a	n.a	19.2	n.a	n.a
1973	n.a	n.a	21.6	n.a	n.a
1974	n.a	n.a	27.2	n.a	n.a
1975	n.a	n.a	37.4	n.a	n.a
1976	n.a	n.a	79.6	n.a	n.a
1977	6.0	n.a	139.1	n.a	n.a
1978	6.0	n.a	229.0	n.a	n.a
1979	6.0	n.a	329.6	n.a	n.a
1980	6.0	n.a	462.2	36.5	13.7
1981	7.0	28.6	590.6	41.5	37.5
1982	7.0	40.1	786.6	54.6	55.9
1983	7.0	54.5	940.4	50.4	38.5
1984	9.0	79.3	1,052.1	36.7	31.5
1985	9.0	120.2	1,310.2	36.2	36.2
1986	9.0	211.8	1,830.3	40.4	46.2
1987	17.5	327.7	2,427.1	48.2	45.4
1988	16.5	576.5	3,066.7	41.9	62.7
1989	25.5	815.1	3,470.5	73.4	87.7
1990	26.0	1,053.6	4,221.4	n.a	n.a
1991	20.2	1,341.8	5,012.7	n.a	n.a
1992	29.8	1,595.6	6,978.9	n.a	n.a
1993	36.1	2,881.0	10,753.0	n.a	n.a
1994	20.7	3,135.9	17,888.8	n.a	n.a
1995	20.4	4,069.0	25,278.7	n.a	n.a
1996	20.2	4,371.3	33,264.1	n.a	n.a
1997		2,793.9	27,939.3	n.a	n.a
1998		6,020.2	27,180.7	n.a	n.a

Source: Central Bank of Nigeria



TABLE 4.6

**LOANS AND ADVANCES BY NIGERIAN AGRICULTURAL AND COOPERATIVE BANK (1988 - 1997)**  
 (=N='000)

Purpose											Cumulative
	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1973-1997
Grains	29,153	13,297	53,266	6,325	12,736	21,447	301,900	7,300	2,800	3,200	631,026
Tree Crops	5,136	173	65	306	184	1,612	367,600	-	-	100	420,371
Other Crops	229	279	43	13	6,835	104	-	-	-	-	7,576
Poultry	10,334	3,430	2,954	6,003	5,591	13,409	133,000	4,100	3,100	4,400	224,037
Cattle	478.3	3,242	2,551	680	419	5,103	71,400	3,700	1,000	1,200	111,256
Piggery	1,905	957	1,398	1,010	217	1,048	-	-	-	-	7,340
Other Livestock	-	297	833	482	68	2,499	755,300	44,400	19,200	500	823,884
Mixed Farming	9,773	3,544	3,680	5,630	6,225	19,942	82,900	17,100	300	200	167,112
Fisheries	2,832	2,832	2,135	1,651	28,830	457,374	305,800	45,800	58,400	76,200	547,750
Agro-Allied/Agro-Service	46,219	64,563	136,612	57,011	289,830	457,374	172,900	14,700	1,400	3,600	988,664
Other Miscellaneous	11,694	168,747	-	-	87,333	2,998	399,100	27,400	200	24,300	809,858
Marketing	60,943	74,110	45,446	20,838	26,372	97,302	816,200	100	37,600	64,700	1,269,710
SHS/SLDD	76,744	109,276	95,531	65,684	120,543	200,452	771,400	230,100	282,400	312,900	2,307,931
On-Lending	2,460	1,031	143,912	224	619	67,363	1,926,700	20,500	4,000	-	2,146,456
<b>TOTAL</b>	<b>257,900.3</b>	<b>445,778.0</b>	<b>488,426.0</b>	<b>165,857.0</b>	<b>585,802.0</b>	<b>1,348,027.0</b>	<b>6,104,200.0</b>	<b>415,200.0</b>	<b>410,400.0</b>	<b>491,300.0</b>	<b>10,462,971</b>

Source: NACB

**TABLE 4.7**  
**PERFORMANCE OF NATIONAL AGRICULTURAL INSURANCE COMPANY (NAIC), 1988 - 1998.**

Year	No. of Insured	Premium (Nmillion)	No. of Claimant	Amount (=N= mil)
1988	1	0.1	—	—
1989	4,079	10.2	184	0.6
1990	40,067	14.2	1,422	3.7
1991	30,855	30.8	137	0.9
1992	22,196	33.1	3,821	64.5
1993	32,407	40.0	1,600	4.5
1994	18,868	25.4	222	1.6
1995	44,303	52.3	217	4.0
1996	52,074	56.9	235	8.1
1997	59,932	63.0	253	7.2
1998	45,112	77.6	262	11.0
<b>TOTAL</b>	<b>349,894</b>	<b>403.6</b>	<b>8,353</b>	<b>106.0</b>

Source; NAIC



**TABLE 4.8**  
**FERTILIZER DISTRIBUTION IN NIGERIA, 1960-1998.**  
 ('000 TONNES)

YEAR	QUANTITY
1960	n.a
1961	n.a
1962	n.a
1963	n.a
1964	n.a
1965	n.a
1966	30.51
1967	65.84
1968	39.19
1969	43.21
1970	28.11
1971	39.17
1972	76.08
1973	60.96
1974	83.96
1975	150.96
1976	226.60
1977	185.00
1978	188.00
1979	388.40
1980	446.21
1981	1,044.40
1982	639.84
1983	518.55
1984	763.00
1985	1,163.03
1986	590.00
1987	829.75
1988	750.00
1989	900.00
1990	1,314.00
1991	1,000.00
1992	1,410.00
1993	1,590.00
1994	1,010.00
1995	897.00
1996	600.00
1997	574.00
1998	n.a
Memorandum Item	
AVERAGE	
1960-1965	n.a
1966-1970	41.37
1971-1975	82.23
1976-1980	286.84
1981-1985	825.76
1986-1990	876.75
1991-1998	1180.17

Sources; (1) International Fert. Dev. Committee(IFDC) Technical Bulletin.  
 (2) Fertilizer Procurement and Distribution Department (FPDD) of the Fed. Min. of Agric.

**TABLE 4.9**  
**'BUDGET PERFORMANCE IN AGRICULTURE**

YEAR	Gross Domestic Product at 1984 Factor Cost (₦ Million) (1)	Total Fed. Capital Expenditure (₦ Million) (2)	Agric. Capital Expenditure (₦ Million) (3)	(3) As Percentage of (2)
1960	33.5	n.a	n.a	n.a
1961	33.5	n.a	n.a	n.a
1962	34.9	n.a	n.a	n.a
1963	38.1	n.a	n.a	n.a
1964	39.9	n.a	n.a	n.a
1965	42.5	n.a	n.a	n.a
1966	41.0	n.a	n.a	n.a
1967	34.6	129.2	3.8	2.9
1968	34.3	128	0.4	0.3
1969	43.6	122.8	2.6	2.1
1970	54.2	220.9	5.6	2.5
1971	65.7	173.8	8.4	4.8
1972	69.3	451.3	20.7	4.6
1973	73.8	565.7	35.4	6.3
1974	82.4	1,549.5	87.4	5.6
1975	80.0	3,518.2	211.2	6.0
1976	88.9	4,219.5	129.2	3.1
1977	96.1	5,442.3	113.7	2.1
1978	89.0	5,197.0	125.0	2.4
1979	91.2	4,837.4	98.3	2.0
1980	96.2	8,395.5	413.3	4.9
1981	70.4	5,696.9	1,024.8	18.0
1982	70.2	7,950.2	615.6	7.7
1983	66.4	5,868.6	661.6	11.3
1984	63.0	5,411.0	284.6	5.3
1985	68.9	1,707.4	305.8	17.9
1986	71.1	9,076.8	374.3	4.1
1987	70.7	6,372.5	442.7	6.9
1988	77.8	8,340.1	659.9	7.9
1989	83.5	15,034.1	1,733.2	11.5
1990	90.3	24,048.6	1,598.2	6.6
1991	96.6	28,340.9	1,219.0	4.3
1992	97.0	39,763.3	941.3	2.4
1993	100.0	54,501.8	1,824.4	3.3
1994	101.3	70,918.3	2,178.8	3.1
1995	103.5	121,138.3	2,414.2	2.0
1996	107.0	158,678.3	3,894.8	2.5
1997	110.4	209,841.3	6,247.4	3.0
1998	113.0	129,735.0	4,330.3	3.3
Memorandum Item				
<i>AVERAGE</i>				
1960-1965	44.5	-	-	-
1966-1970	41.5	-	-	-
1971-1975	74.2	150.2	3.1	2.0
1976-1980	92.3	5,618.3	175.9	2.9
1981-1985	67.8	5,326.8	578.5	12.0
1986-1990	78.7	12,574.4	961.7	7.4
1991-1998	92.1	101,614.7	2,881.3	3.0

Sources: Federal Ministry of Finance and CBN.



**TABLE 4.10**  
**INDEX OF AGRICULTURAL PRODUCTION BY TYPE OF ACTIVITY, 1970-1998**  
**(1984=100)**

Year	Aggregate Index	Crops	Staples	Other Crops	Livestock	Fishery	Forestry
1970	126.0	144.5	171.6	82.5	75.1	101.6	81.5
1971	114.2	126.8	146.7	81.2	76.1	111.7	83.6
1972	94.0	98.0	101.1	76.9	74.6	119.3	85.8
1973	102.2	109.1	122.3	79.0	73.6	126.7	88.6
1974	118.7	132.1	144.5	103.1	73.6	128.9	90.4
1975	104.3	111.7	122.4	87.0	74.7	127.0	94.1
1976	97.6	100.6	105.0	90.6	77.1	134.9	96.8
1977	96.7	98.3	93.3	96.0	79.3	137.3	99.6
1978	93.5	92.8	89.0	101.6	81.7	141.4	102.4
1979	92.4	89.9	84.2	102.9	84.7	145.8	105.1
1980	92.5	92.0	85.9	106.2	75.1	153.4	106.5
1981	95.2	93.6	87.4	107.7	88.4	132.7	106.5
1982	98.3	95.7	91.4	105.5	96.1	136.8	105.7
1983	93.9	90.5	89.0	93.9	91.9	146.9	99.0
1984	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1985	104.6	103.5	103.2	103.8	104.3	62.3	102.9
1986	108.3	111.2	110.0	115.7	108.1	69.5	106.1
1987	116.1	123.4	125.6	115.1	103.9	66.8	106.3
1988	138.5	151.7	159.1	123.7	110.4	85.7	109.1
1989	153.0	169.6	178.6	137.1	117.8	89.2	112.7
1990	167.5	180.0	189.4	144.9	157.1	77.4	117.1
1991	178.9	194.5	205.9	151.6	160.7	84.3	119.5
1992	200.0	233.3	254.2	154.6	159.3	84.3	122.2
1993	203.7	241.1	266.3	146.1	161.6	62.9	124.7
1994	209.7	249.4	276.8	146.0	164.1	67.0	128.0
1995	206.8	255.5	285.2	143.7	171.0	77.6	128.0
1996	224.8	270.0	298.1	164.4	176.0	89.4	131.4
1997	234.1	277.7	307.3	166.5	180.4	99.5	132.7
1998	242.4	288.0	316.1	182.4	181.3	105.7	133.5
Average Growth Rate							
1970-1975	-2.9	-3.6	-4.4	2.1	-0.1	4.6	2.9
1976-1980	-2.3	-3.7	-6.7	4.1	-0.3	3.9	3.9
1981-1985	2.6	2.5	3.9	-0.3	7.0	-15.0	-1.0
1986-1990	10.0	12.0	13.0	7.0	9.0	5.0	3.0
1991-1998	4.5	5.9	6.5	2.9	1.7	4.2	1.6

Source: Computed from data obtained from FOS, FAO, CBN and FMANR.

TABLE 4.11  
OUTPUT OF MAJOR AGRICULTURAL COMMODITIES  
(‘000 Tonnes)

Year	Maize	Millet	Sorghum	Rice	Wheat	Acha	Beans	Cassava	Potato	Yams	Coco yams	Plantain	Vege tables	Total
1970	1,443	3,106	4,053	280	19	18	884	5,224	24	12,033	1,381	985	1,098	30,818
1971	1,274	2,834	3,794	279	20	18	801	4,516	26	9,766	880	1,008	1,136	26,352
1972	639	2,391	2,298	447	20	14	408	2,573	27	6,900	1,357	994	1,175	19,243
1973	808	3,794	3,125	487	15	14	530	2,912	27	6,936	1,106	996	1,211	21,961
1974	528	5,554	4,738	525	18	17	1,097	3,582	27	7,160	480	1,018	1,259	26,003
1975	1,332	2,550	2,920	504	18	16	858	2,324	28	8,620	504	1,016	1,303	21,993
1976	1,068	2,893	2,950	218	18	14	727	1,786	30	6,470	532	1,022	1,134	18,862
1977	650	2,579	3,286	410	20	14	408	1,656	32	6,376	346	1,026	1,025	17,828
1978	658	2,386	2,409	280	20	16	498	1,620	34	5,866	182	1,032	976	15,977
1979	488	2,366	2,604	160	22	16	624	1,446	38	5,256	132	1,038	931	15,121
1980	612	2,354	3,346	105	24	18	510	942	40	5,248	208	1,042	972	15,421
1981	720	2,682	3,364	158	26	20	560	620	38	5,212	270	1,048	986	15,704
1982	766	2,666	3,740	212	26	20	616	592	40	5,385	280	1,054	1,048	16,445
1983	594	2,783	3,292	145	26	18	583	513	38	4,047	224	1,068	909	14,240
1984	2,058	3,349	4,608	157	27	23	477	11,800	42	4,600	205	1,086	1,120	29,552
1985	1,190	3,684	4,911	196	113	25	611	13,500	43	4,738	223	1,113	1,254	31,601
1986	1,336	4,111	5,455	283	132	27	732	12,388	46	5,209	373	1,127	1,293	32,512
1987	4,612	3,905	5,455	808	139	26	688	13,876	45	4,886	354	1,071	1,241	37,106
1988	5,268	5,136	5,182	2,081	565	30	887	15,540	44	9,132	693	1,103	1,354	47,015
1989	5,008	4,770	7,265	3,303	554	35	1,232	17,404	50	9,609	649	1,413	1,480	52,772
1990	5,768	5,136	4,185	2,500	554	39	1,354	19,043	54	13,624	731	1,215	1,761	55,964
1991	5,810	4,109	5,367	3,226	455	43	1,352	26,004	66	16,956	829	1,339	2,025	67,581
1992	5,840	4,501	5,909	3,260	515	47	1,411	29,184	73	19,781	940	1,477	2,243	75,121
1993	6,290	4,602	6,051	3,065	33	50	1,576	30,128	80	21,632	1,066	1,623	2,494	78,690
1994	6,902	4,757	6,197	2,427	35	55	1,545	31,005	90	23,153	1,128	1,665	2,843	81,802
1995	6,931	5,563	6,997	3,202	44	58	1,751	31,404	95	22,818	1,182	1,632	2,608	84,286
1996	6,217	5,803	7,514	3,122	47	64	1,847	32,950	99	23,928	1,295	1,688	3,506	88,080
1997	6,285	5,997	7,954	3,230	49	67	1,957	33,495	101	24,713	1,380	1,758	3,814	90,815
1998	6,435	6,328	8,401	3,486	51	70	2,054	34,092	105	25,102	1,450	1,809	4,018	93,401
Average														
1970-1975	1,004	3,372	3,488	420	18	16	763	3,522	27	8,569	951	1,003	1,197	24,395
1976-1980	695	2,516	2,919	235	21	16	553	1,490	35	5,843	280	1,032	1,008	16,642
1981-1985	1,066	3,033	3,983	174	44	21	569	5,405	40	4,796	240	1,074	1,063	21,508
1986-1990	4,398	4,612	5,508	1,795	389	31	979	15,650	48	8,492	560	1,186	1,426	45,074
1991-1998	6,339	5,208	6,799	3,127	154	57	1,687	31,033	89	22,260	1,159	1,624	2,944	82,472

TABLE 4.11 cont'd

OUTPUT OF MAJOR AGRICULTURAL COMMODITIES  
(‘000 Tonnes)



TABLE 4.11 cont'd

OUTPUT OF MAJOR AGRICULTURAL COMMODITIES  
('000 Tonnes)

Year	Ground nut	Benni-seed	Coco-nuts	Shea-nuts	Soya-Beans	Cotton Seed	Palm Kernel	Palm Oil	Ground nut oil	Cocoa	Coffee	Rubber	Sugar-Cane	Palm-Wine	Tobacco	Total
1970	1,350	30	83	67	58	358	315	488	87	305	3	65	607	2,321	11	6,461
1971	1,350	32	97	70	63	426	307	500	40	257	4	62	638	2,403	18	6,361
1972	1,350	33	86	75	63	105	270	460	32	241	4	57	666	2,478	13	6,024
1973	878	34	99	79	64	85	231	430	-	215	2	66	618	3,186	12	6,181
1974	1,946	35	99	83	65	481	310	485	-	214	2	78	670	3,543	12	8,072
1975	449	36	99	88	65	313	295	500	-	216	3	68	700	3,755	18	6,813
1976	459	36	90	92	70	294	295	525	-	181	3	53	735	4,077	14	7,090
1977	567	37	92	96	70	269	284	528	-	193	3	59	765	4,400	14	7,519
1978	801	38	92	100	72	211	281	530	-	157	3	58	770	4,723	12	7,954
1979	507	39	90	105	73	125	280	650	-	151	3	56	815	5,045	13	8,056
1980	674	41	90	110	75	77	279	650	-	153	4	45	870	5,139	13	8,314
1981	530	42	100	116	78	48	294	530	-	174	3	60	926	5,438	19	8,436
1982	458	44	110	122	82	38	310	500	-	156	3	50	900	5,360	20	8,227
1983	396	30	100	98	42	12	279	500	-	140	3	45	810	4,729	21	7,256
1984	591	31	101	99	43	108	340	550	-	140	4	58	821	4,800	14	7,843
1985	621	35	102	100	60	114	360	615	-	160	6	226	862	4,882	22	8,312
1986	896	35	104	103	100	100	727	650	-	148	132	190	897	4,940	25	9,200
1987	687	34	105	104	107	195	824	715	-	100	139	180	852	4,951	26	9,164
1988	1,016	36	108	109	150	194	545	614	280	253	157	211	888	4,986	27	9,849
1989	1,017	40	110	252	300	187	939	770	249	256	257	132	900	5,111	30	10,754
1990	1,166	44	118	289	218	276	1,190	730	359	244	303	147	920	5,121	31	11,364
1991	1,361	46	129	326	145	309	1,203	760	361	268	320	215	888	5,322	20	11,892
1992	1,297	49	135	331	154	346	1,321	792	384	292	338	220	896	5,322	19	12,127
1993	1,416	52	140	336	163	192	491	825	408	306	358	225	905	5,376	20	11,456
1994	1,453	56	145	353	178	218	503	837	429	323	372	230	633	5,444	21	11,448
1995	1,579	60	149	384	287	251	543	687	334	203	109	255	589	5,531	22	11,270
1996	2,078	64	151	367	322	301	548	776	461	323	178	245	615	6,122	23	12,891
1997	2,101	69	154	373	326	309	550	780	470	325	184	250	620	6,185	26	13,042
1998	2,227	78	167	396	327	349	572	792	484	345	188	255	665	7,102	27	14,302
Average																
1970-1975	1,264	33	94	77	63	295	288	477	53	241	3	66	650	2,948	14	6,652
1976-1980	602	38	91	101	72	195	284	577	n.a	167	3	54	791	4,677	13	7,787
1981-1985	519	36	103	107	61	64	317	539	n.a	154	4	88	864	5,042	19	8,015
1986-1990	956	38	109	171	175	190	845	696	296	200	198	172	891	5,022	28	10,066
1991-1998	1,689	59	146	358	238	284	716	781	416	298	256	237	726	5,801	22	12,304

Source: Compiled from data obtained from Federal Office of Statistics (FOS), Food and Agricultural Organisation (FAO) Production Year Book; Central Bank of Nigeria Annual Agricultural Survey; Annual Reports of the Federal Ministry of Agriculture and Rural Development and returns from State Ministries of Agriculture and Natural Resources.

TABLE 4.15

**PRICES OF NIGERIA STAPLES, 1970 - 1998**  
**NAIRA PER TONNES**

Year\Commodity	Cassava	Yam	Maize	Rice	Sorghum	Millet	Beans
1970	126	128	131	254	n.a	93	n.a
1971	144	128	166	303	n.a	92	n.a
1972	107	109	131	250	n.a	1,009	n.a
1973	108	200	168	307	n.a	200	n.a
1974	152	205	191	393	n.a	215	n.a
1975	459	245	198	390	n.a	245	n.a
1976	299	231	349	653	n.a	228	n.a
1977	518	360	403	558	291	390	180
1978	552	477	398	735	315	402	180
1979	399	564	531	684	293	390	345
1980	505	558	537	961	270	365	362
1981	778	780	848	1,238	350	442	362
1982	882	933	691	938	476	573	362
1983	1,176	944	767	1,093	569	532	600
1984	1,131	1,217	1,090	1,865	1,235	995	600
1985	806	896	1,795	2,447	837	829	690
1986	663	1,045	1,714	2,376	635	576	1,380
1987	910	910	611	2,313	615	595	2,394
1988	2,260	1,721	1,891	4,219	1,611	1,621	3,552
1989	2,686	2,430	2,735	6,322	1,979	1,645	5,420
1990	3,191	2,301	2,061	6,300	1,293	1,707	5,632
1991	3,791	3,600	3,318	7,544	3,480	2,365	7,915
1992	4,040	4,001	5,514	12,354	4,678	5,621	9,145
1993	4,880	6,238	6,690	18,184	6,397	7,463	17,157
1994	5,120	8,599	6,646	21,717	5,590	7,240	22,412
1995	8,380	15,936	15,199	33,823	15,597	12,996	28,169
1996	9,590	21,336	19,799	40,861	17,276	19,323	47,944
1997	12,030	24,310	22,729	43,963	20,036	22,737	41,667
1998	14,520	29,506	29,983	45,454	27,665	28,406	44,396
Memorandum Items							
Average							
1970-1975	183	169	164	316	n.a	309	n.a
1976-1980	455	438	555	718	292	355	213
1981-1985	955	954	1,038	1,516	693	674	523
1986-1990	1,942	1,681	1,802	4,306	1,227	1,229	3,676
1991-1998	5,458	9,673	9,397	19,116	8,527	9,006	18,491

Sources: (1) CBN Annual Report (Various issues).

(2) Federal Ministry of Agriculture (F M A), Abuja.



TABLE 4.12

## VALUE OF EXPORTS

Year	Major agric.	Semi-processed product
1970	n.a	n.a
1971	n.a	n.a
1972	n.a	n.a
1973	n.a	n.a
1974	n.a	n.a
1975	n.a	n.a
1976	n.a	n.a
1977	n.a	n.a
1978	n.a	n.a
1979	n.a	n.a
1980	n.a	n.a
1981	113.2	39.1
1982	198.6	4.6
1983	431.2	4.2
1984	288.8	1.8
1985	192.1	61.2
1986	407.4	55.5
1987	937.4	91.7
1988	1780.4	82.0
1989	1726.8	115.9
1990	2857.0	219.8
1991	3425.0	197.0
1992	3054.9	218.9
1993	3437.3	376.7
1994	3818.8	384.6
1995	15512.0	1570.8
1996	18020.4	2404.0
1997	19826.1	4492.7

Source: Federal Office of Statistics.

**TABLE 4.13**  
**VALUE OF FOOD IMPORTS**  
**(N million)**

Year	
1970	57.7
1971	88.3
1972	95.8
1973	126.3
1974	154.8
1975	298.8
1976	441.7
1977	780.7
1978	1027.6
1979	952.2
1980	1437.5
1981	1819.6
1982	1642.3
1983	1296.7
1984	843.2
1985	940.6
1986	801.9
1987	1646.5
1988	1220.0
1989	2108.9
1990	3474.5
1991	7785.5
1992	11738.4
1993	13952.4
1994	16767.2
1995	88349.9
1996	75954.6

**Source:** *Federal Ministry of Statistics*



TABLE 4.14a  
PRICES OF NIGERIA'S MAJOR AGRICULTURAL EXPORT COMMODITIES, 1973 - 1998

Year/Commodity	Benniseed	Cocoa	Coffee	Cotton	Copra	Groundnut	Groundnut Oil	Ginger	Palm Kernel	Palm Oil	Soyabean	Rubber
1973	396	1,212	1,066	136	352	402	544	1,109	264	377	246	786
1974	615	1,737	1,226	150	640	586	1,130	1,690	429	684	271	849
1975	573	1,362	1,297	125	239	408	935	1,362	213	443	207	789
1976	560	2,304	2,800	179	253	381	821	1,199	235	394	211	1,250
1977	689	4,242	5,128	160	408	496	997	2,507	332	525	283	1,299
1978	350	1,321	1,058	667	176	236	445	1,054	149	237	111	552
1979	901	3,369	3,550	1,870	682	575	867	3,833	512	666	310	1,367
1980	896	2,665	3,199	2,435	454	495	853	1,670	344	590	304	1,530
1981	806	2,113	2,080	1,936	376	633	1,044	1,144	318	562	297	1,198
1982	590	1,785	2,225	1,595	311	428	583	1,125	263	449	251	888
1983	n.a	2,272	2,532	1,825	541	624	720	2,124	331	539	298	1,105
1984	n.a	2,636	3,066	1,751	695	1,051	989	2,691	521	695	290	1,088
1985	n.a	2,583	2,684	1,309	391	817	922	2,407	295	497	229	799
1986	n.a	1,801	2,619	909	149	n.a	406	706	126	253	147	951
1987	n.a	1,983	2,404	1,637	303	n.a	509	1,159	185	323	236	955
1988	n.a	1,580	2,356	1,672	383	n.a	582	918	247	465	326	1,188
1989	n.a	970	2,026	1,520	334	n.a	765	778	251	355	335	977
1990	n.a	941	1,578	1,841	231	n.a	964	961	190	284	248	886
1991	n.a	1,190	1,475	1,689	195	n.a	919	999	245	336	243	1,007
1992	n.a	1,113	1,160	1,271	375	n.a	594	862	n.a	399	243	1,020
1993	n.a	1,126	1,340	1,273	291	n.a	669	695	n.a	376	257	981
1994	n.a	1,389	1,386	1,778	397	n.a	1,033	857	n.a	526	274	1,317
1995	n.a	1,432	14,432	2,218	434	n.a	989	1,038	n.a	644	276	n.a
1996	n.a	1,493	1,493	1,784	500	n.a	915	1,460	n.a	521	353	n.a
1997	n.a	1,511	2,931	1,741	433	n.a	834	1,633	n.a	531	344	n.a
1998	n.a	1,670	2,411	1,444	416	n.a	883	1,646	n.a	636	277	n.a
<b>Average</b>												
1973-1975	528	1,437	1,196	137	411	466	870	1,387	302	501	242	808
1976-1980	679	2,780	3,147	1,062	395	437	796	2,052	314	483	244	1,200
1981-1985	698	2,278	2,517	1,683	463	711	852	1,898	346	548	273	1,016
1986-1990	n.a	1,455	2,196	1,516	280	n.a	645	904	200	336	258	991
1991-1998	n.a	1,366	3,328	1,650	380	n.a	855	1,149	245	496	283	1,081

**TABLE 4.14b**  
**PRICES OF NIGERIA'S MAJOR AGRICULTURAL EXPORT COMMODITIES, 1973 - 1998**

Year/Commodity	Benniseed	Cocoa	Coffee	Cotton	Copra	Groundnut	Groundnut Oil	Ginger	Palm Kernel	Palm Oil	Soyabean	Rubber
1973	260	797	701	89	232	265	358	729	174	248	162	517
1974	388	1,094	772	94	403	369	712	1,064	270	431	71	535
1975	353	839	799	77	147	252	576	839	131	273	128	486
1976	351	1,443	1,754	112	159	239	514	751	147	247	132	783
1977	445	2,743	3,316	103	264	321	644	1,621	215	340	83	840
1978	562	2,122	1,700	1,072	283	379	714	1,692	239	381	178	887
1979	537	2,007	2,115	1,114	406	343	516	2,283	305	397	185	814
1980	490	1,456	1,748	1,331	248	270	466	913	188	323	166	836
1981	491	1,289	1,269	1,181	229	386	637	698	194	343	181	731
1982	397	1,201	1,497	1,073	209	288	392	757	177	302	169	597
1983	n.a	1,645	1,833	1,321	391	452	522	1,538	240	390	216	800
1984	n.a	2,016	2,345	1,339	532	804	756	2,059	398	532	222	833
1985	n.a	2,308	2,399	1,170	349	730	825	2,151	263	444	205	714
1986	n.a	3,638	5,291	1,837	301	n.a	820	1,427	254	512	296	1,921
1987	n.a	7,966	9,660	6,578	1,219	n.a	2,045	1,658	744	1,298	947	3,838
1988	n.a	7,169	10,688	7,588	1,737	n.a	2,641	4,163	1,121	2,110	1,479	5,392
1989	n.a	7,168	14,972	11,234	2,465	n.a	5,656	5,748	1,858	2,622	2,479	7,223
1990	n.a	7,560	12,683	14,796	1,857	n.a	7,751	7,727	1,529	282	1,993	9,974
1991	n.a	11,793	14,619	16,739	1,936	n.a	10,282	9,901	2,423	334	2,407	17,639
1992	n.a	19,250	20,058	21,990	6,490	n.a	14,929	14,918	n.a	6,895	4,196	21,893
1993	n.a	25,147	29,913	28,419	6,506	n.a	26,361	15,521	n.a	8,405	5,734	28,827
1994	n.a	30,410	65,514	38,919	8,725	n.a	66,716	18,746	n.a	11,519	5,988	147,386
1995	n.a	105,685	227,632	160,322	32,161	n.a	78,792	73,140	n.a	47,422	20,575	130,545
1996	n.a	114,240	239,596	174,730	35,141	n.a	69,073	83,403	n.a	50,997	22,748	n.a
1997	n.a	123,934	239,549	141,994	35,289	n.a	72,950	133,349	n.a	43,324	28,117	n.a
1998	n.a	140,622	202,807	121,547	35,097	n.a		135,584	n.a	53,592	23,289	
<b>Average</b>												
1973-1975	334	910	757	87	261	295	549	877	192	317	153	513
1976-1980	477	1,954	2,126	746	272	310	571	1,452	219	337	169	832
1981-1985	444	1,692	1,869	1,217	342	532	626	1,441	255	402	199	735
1986-1990	n.a	6,700	10,659	8,406	1,516	n.a	3,783	4,745	1,101	1,765	1,439	5,099
1991-1998	n.a	71,385	129,961	88,082	20,168	n.a	43,526	60,570	2,423	28,186	14,132	59,377