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NIGERIA'S PETRO-DOLLAR ECONOMY, AGRICULTURAL PROGRAMMES AND POLICIES: A REVIEW

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ABSTRACT

This review study is centred on Nigeria's petro-dollar economy and its agricultural programmes and policies. Despite having generated billions of dollars in petroleum revenue and numerous agricultural programmes and policies over the years, Nigeria remains a food import-dependent country with a significant infrastructure deficit. The reality is that crude oil revenues have been mismanaged due to pervasive and widespread corruption. The oil revenue has not reflected much on the quality of life of the citizens; Nigeria ranks low in terms of human capital development on a global scale. It is recommended that public officials use public funds wisely and hold themselves accountable. In order to reduce Nigeria's annual food import bill and meet the ever-increasing demand for food, it is also recommended that the government at every level spend sufficiently and sustainably on crop production and raise productivity through the use of improved technologies, rather than relying on agricultural land expansion, which, although a good thing if only it is accompanied by improved technologies, The fisheries and livestock sub-sectors must also be enhanced through the use of genetic engineering.

Key words: Programmes, crude oil, policies, agriculture, infrastructure, economy

INTRODUCTION

Agriculture used to be the mainstay of Nigeria's economy, but since the discovery and production of crude oil in the 1950s, it has been relegated to the background. As one of Africa's leading crude oil exporters with one of the largest natural gas reserves in the world, Nigeria has largely operated a petro-dollar economy for decades, but the revenue generated from the export of crude

oil has not resulted in substantial economic development due to mismanagement, and the revenue from crude oil sales is plummeting due to factors such as oil pipeline vandalism and oil theft. Oil theft is crippling Nigeria's economy amidst other problems such as inflation, unemployment, and the problem of extreme poverty. According to World Bank (2022a), oil output peaked in 1997 at over 2 million barrels per day (bpd), fluctuat-

ed between 2 and 2.5 million bpd, and then dropped below 2 million bpd in 2016 as a result of an abnormally high number of attacks on the infrastructure supporting oil production. Production declined to its lowest level since 1988 in 2021 after a brief recovery, and it continued to decline during the first five months of 2022 (World Bank, 2022a).

Nigeria's net oil income grew by only 4% in 2021 despite a two-thirds increase in oil prices and a COVID-19-related global economic recovery, while output (including condensates) fell from 1.83 million bpd in 2020 to 1.68 million bpd in 2021 (World Bank, 2022a). Resulting from the Nigerian National Petroleum Corporation (NNPC), which withheld a sizeable percentage of the Federation's oil profits to cover the gasoline subsidy, there was a "decoupling" between oil prices and related revenues; due to reduced oil production, a greater unit gasoline subsidy, a weaker currency, and higher apparent gasoline use than in the past, the decoupling will persist in 2022 (World Bank, 2022a). Also, the cost of the gasoline subsidy will go up as the global oil price surges since Nigeria relies mainly on the importation of refined petroleum products and the pump price of gasoline may likely increase. Jinyemiema and Amgbara (2020) reported that the amount of imported refined products into Nigeria is on the increase. Nigeria's spending on petroleum subsidy has gulped down billions of Naira in the past, amid allegations of corruption that some people are using it to defraud the country, and the amount of petroleum subsidy has increased to trillions of Naira under the presidency of Muhammadu Buhari amidst inflation, a high unemployment rate, slow economic growth, insecurity, etc. Nigeria is allegedly spending trillions of Naira on pet-

rol subsidy because the oil refineries are either non-functional or operating below their production capacities, and because of this, the country has to rely on the importation of petroleum products from other countries of the world. Although the idea of subsidy is admirable in and of itself, there have been numerous, significant accusations of corruption and poor management surrounding their administration in Nigeria (Pricewaterhouse Coopers, 2023). The removal of the gasoline subsidy has generated controversy over the years, as it has always led to economic hardship as a result of increases in the prices of goods and services. Dwindling oil production also translates to a reduction in oil revenue in an economy that is suffering from huge public debt servicing, a lack of a single monetary exchange rate, and is struggling to survive due to the government's inability to reduce inflation, a high unemployment rate, and also a lack of capacity to manage fiscal stressors or pressures. Also contributing to Nigeria's economic challenges are import restrictions on certain products; an epileptic and expensive electricity supply due to estimated billing; inadequate food production that is engendered by banditry, kidnapping, and farmer-herder clashes; leading to low supply and high demand, thereby resulting in exorbitant prices of food items in the market in an economy that is suffering from stagflation.

In spite of the huge revenue generated from the sale of crude oil, not much has changed in the quality of life of most average Nigerians; instead, multi-dimensional poverty continues to increase. This is due to widespread corruption and looting of the government's treasury by government officials. This humongous corruption has resulted in pervasive poverty across the length and breadth of Nigeria, and as things stand, Nigeria is the

global headquarters of extreme poverty. This is substantiated by Onwuemeka (2024) who opined that Nigeria has extreme poverty despite the country receiving a substantial infusion of cash from the sale of crude oil. This extreme level of poverty is further compounded by the high rate of stagflation in an economy that has suffered two recessions since the regime of President Muhammadu Buhari came on board in 2015. Nigeria's mono-economy suffered two recessions in 2016 and 2020 because of bad economic management and the decline in global oil prices, as it lacks the ability to absorb or cope with external shocks. Crude oil theft is another monster that is negatively affecting Nigeria's petroleum industry, and it is an organized crime that has become very difficult to solve because of the calibre of people that are involved. The Buhari administration targeted agriculture as one of the ways to diversify the economy away from the oil sector. Since taking office in 2015, the Buhari administration implemented a number of agricultural initiatives aimed at improving and modernizing the agricultural sector and raising domestic agricultural production (de Jong, 2021).

In order to create an economy capable of producing inclusive growth and jobs, agriculture has long been seen as a crucial sector for diversification. Agriculture can generate wealth, reduce poverty, and promote economic growth by developing its value chain and making use of improved technologies, particularly in the area of using improved and certified seeds and seedlings rather than relying on land expansion, which has been the practice to increase crop production. Agriculture seems to be doing relatively well due to the sizable number of people that have returned to farming, especially after the COVID-19 pandemic period,

and there has been an appreciable increase in domestic rice production. Despite issues with insecurity, higher input prices, and import restrictions, agriculture continued to flourish thanks to the inflow of labourers who returned to farming after the pandemic (World Bank, 2022a). Many more rice mills were established and fertilizer plants were revitalized across different parts of the country. The Vanguard Newspaper report of 2018 supports this, stating that the Buhari administration built 10 large-scale rice processing facilities with an installed capacity of over 2 million metric tons, while the Presidential Fertilizer Initiative (PFI) revived 14 blending plants around the nation. In spite of all these, Nigeria's food import bill remains very high. Nigeria is a country that produces cocoa but imports chocolate, produces cotton but imports fabric while its textile industry is comatose, produces crude oil but imports refined petroleum products while its refineries are either non-functional or operating below their capacities. The real money is not actually in commodity production but in value addition, which Nigeria has not been able to take advantage of. The value chain in most commodity production is still weak, and that is one of the reasons why Nigeria is still an import-dependent country in most areas. Also, the use of improved and certified seeds and seedlings by Nigerian farmers is still very low, which explains why a large percentage of food production is coming from cultivable land expansion rather than the use of improved seeds and technologies in agriculture.

LITERATURE REVIEW

Compared to other oil-producing countries outside the African continent, such as Norway, Saudi Arabia, and even sub-Saharan African countries that are non-resource-rich

countries such as Seychelles and Mauritius, Nigeria has underperformed economically and in other areas of development in spite of the fact that it has generated huge amounts of revenue from selling crude oil over the years. For instance, according to Zhang and Udemba (2023), Nigeria's economy is regarded as one of the worst in the world, while Norway's economy is regarded as one of the best in the world with steady macroeconomic performance. Nigeria's per capita income, debt to gross domestic product ratio, infrastructural development, and annual economic growth rate are not impressive despite being an oil-producing nation, while there is a high level of unemployment, particularly among the youths, and extreme poverty is at its highest level. There is also the problem of out-of-school children, whose numbers are in the millions. National Bureau of Statistics and United Nations Children's Fund (2022) reported that 26% of primary school-aged children and 25% of lower secondary school-aged children are out of school. Electricity supply is a major challenge in Nigeria; there is an epileptic electricity supply as companies have to spend millions of Naira on a daily basis to fuel their electricity-generating devices, leading to a high cost of production, particularly for those in the manufacturing sector. The manufacturing sector of the economy will not grow substantially as long as there is an epileptic electricity supply. Nigeria's inadequate electricity supply is one of the reasons for the manufacturing sector's decreased growth and efficiency (Adebobola et al., 2023).

Nigeria's economy improved after the pandemic-caused recession in 2020, but macroeconomic stability declined; inflation is soaring and plunging millions of Nigerians into poverty as a result of global commodity

shocks, the falling value of the currency, trade restrictions, and monetization of the deficit (World Bank, 2022b). Nigeria has also been unable to benefit from the rising oil prices since 2021 because oil output has reached historic lows and gasoline subsidy continue to eat up a growing portion of the country's gross oil revenues (World Bank, 2022b). In 2018, 83 million Nigerians (40 percent) were below the poverty line, while 53 million (25 percent) were considered vulnerable; the number of Nigerians living in extreme poverty is expected to increase by 7.7 million between 2019 and 2024 as the country's population growth continues to exceed efforts to reduce poverty (World Bank, 2022b).

The oil sector, despite being an important sector of the economy, receives less attention when it comes to refining crude oil because Nigeria relies on imported refined petroleum products to power its economy. This has been going on for years because of the corruption that is rife in the oil and gas sector. There is also the problem of oil theft involving the locals in connivance with some fraudulent government officials. The Niger Delta has been experiencing industrial-scale oil crime for at least 20 years and evidence suggests that most of the Delta is still seeing an increase in illegal bunkering and artisanal refining, which has resulted in massive direct losses of US\$41.9 billion over the past ten years as well as significant environmental damage, with spill levels 20 times higher than US onshore oil (Cartwright & Atampugre, 2020). Oil theft leads to a significant drop in the amount of crude oil being produced on a daily basis and a decline in the amount of revenue being generated in a country that faces huge local and international debt burdens and an infrastructure deficit. According to the Nigeria National Petroleum Corpora-

tion and Reuters (2022), crude oil production in terms of million barrels per day (mbd) declined from January to May of 2022, so also was crude oil exports (Table 1). It increased in June, but it has gone down again from July to September (Table 1). Some of the stolen crude oil finds its way to international markets beyond Africa, while the rest is refined in illegal modular refineries and sold at a cheaper rate in neighboring countries such as Cameroon. All these problems serve as clogs in the wheel of accelerated economic growth and development. Inadequate capacity to manage fiscal pressures, a high inflation rate,

insufficient and dilapidated infrastructure, a high unemployment rate, import restriction policies, low agricultural productivity due to insecurity and insufficient use of improved seeds and modern technology, weak public institutions, and bad governance are among the factors impeding Nigeria's economic growth and development, which is why, despite its potential, Nigeria is not a major global economic player. Nigeria has made some socio-economic progress in recent years, but the World Bank's 2020 Human Capital Index put Nigeria at 150 out of 157 in terms of human capital development (World Bank, 2022b).

Table 1: Crude oil production and export in 2022

| Year | Month | Crude Oil Production (mbp) | Crude Oil Export (mbp) |
|------|-----------|----------------------------|------------------------|
| 2022 | January | 1.4 | 0.95 |
| 2022 | February | 1.26 | 0.81 |
| 2022 | March | 1.24 | 0.79 |
| 2022 | April | 1.22 | 0.77 |
| 2022 | May | 1.02 | 0.57 |
| 2022 | June | 1.16 | 0.71 |
| 2022 | July | 1.08 | 0.63 |
| 2022 | August | 0.97 | 0.52 |
| 2022 | September | 0.94 | 0.49 |
| 2022 | October | 1.01 | 0.56 |

Source: Nigeria National Petroleum Corporation and Reuters, 2022

STATE OF NIGERIA'S INFRA-STRUCTURE

Juma (2017) opined that "inadequate investment and development of infrastructure" are at least partially to blame for sub-Saharan Africa's lack of fundamental economic transformation and its insufficient integration into the global economy. Nigeria's infrastructural deficit stands in its

way of becoming a developed economy and a major global player despite its rich mineral resources, economic size, and population, and as a matter of fact, this deficit is a recipe for disaster amidst rising populations, a high unemployment rate, high food prices, etc. Nigeria's levels of access to essential physical infrastructure such as clean water, better sanitation, electricity, and (paved) roads are insufficient in light of its income levels and its

population's rapid growth; Nigeria notably lags behind most of its global income counterparts, and access levels are often below the average of its African income peers (Bello-Schunemann & Porter, 2017). The country's significant deficit of fundamental physical infrastructure, which also seriously jeopardizes human development, is currently the biggest obstacle to Nigeria's economic growth (Bello-Schunemann & Porter, 2017). Infrastructure deficits in Nigeria include inadequate road networks, epileptic power supply, limited access to clean water and sanitation, and underdeveloped healthcare and educational facilities etc. (Ezeudu & Fadeyi, 2024). Nigeria has made some socio-economic progress in recent years, but the World Bank's 2020 Human Capital Index placed the nation 150 out of 157 in terms of human capital development; the nation still faces enormous developmental challenges, such as the need to lessen its reliance on oil and diversify its economy, address its inadequate infrastructure, create strong and effective institutions, and address governance issues and public financial management systems (World Bank, 2022b).

Nigeria's infrastructure deficit is evident across all categories as the country performs worse than its average African income peer and significantly worse than its average global income peer (Bello-Schunemann & Porter, 2017). Poor infrastructure, such as bad roads and an inefficient transport system, impacts negatively on agricultural activities, as this makes it difficult for farmers, especially those in rural areas, to access major markets, especially in urban areas, and this contributes to postharvest losses. Due to Africa's subpar road networks, transport costs in Africa, Nigeria included, are frequently five times greater

than in Asia, according to Hodges et al. (2011). Another problem Nigeria faces is a lack of appropriate energy supply, which in particular raises the cost of production or manufacturing because companies are forced to generate their own electricity using diesel or gasoline electricity-generating devices, earning Nigeria the label "bring your own infrastructure" country. It will be difficult for the nation to advance and experience economic growth if additional cash is not allocated to the provision of new infrastructure while routine repairs and maintenance on the ones already in place are also not neglected. Nigeria needs to prioritize the provision of basic infrastructure in order to attract foreign investors and tackle security challenges such as banditry and kidnapping for ransom. Investment, growth, and the diversification of the economy have been hampered by an over-reliance on oil exports, poor infrastructure, human capital constraints, low tax revenue mobilization, deeply ingrained corruption, and decades of poor management (Yeboua et al., 2022).

STUDIES ON NIGERIA'S AGRICULTURAL PROGRAMMES AND POLICIES

Several authors at one time or the other have carried out various studies on agricultural programmes and policies in Nigeria using different types of data and analytical techniques. A few of them are examined below:

Manyong et al. (2003) using primary and secondary data with descriptive analysis and regression analysis examined opportunities for increased commercialization and investment in agriculture in Nigeria. Even though the study was published in 2003, it failed to mention the National Special Programme for Food Security which was launched in 2002.

Asoegwu and Asoegwu (2007) studied agricultural mechanization and its environmental management in Nigeria using secondary data and descriptive analysis. The study reported that between 1992-1998 government policies were centred on women due to their high involvement in agriculture, this is not completely true as one of the programmes cited in the study, Family Support Programme was a pet project of Maryam Abacha, former first lady of Nigeria and was not a programme devoted fully to the agricultural sector.

Daneji (2011) using secondary data and descriptive analysis conducted a study on agricultural development intervention programmes in Nigeria (1960-2011). Although the study was published in 2011, it did not mention other programmes which were launched before 2011 such as National Special Programme for Food Security, Root and Tuber Expansion Programme and National Economic Empowerment & Development Strategy.

Iwuchukwu and Igbokwe (2012) using secondary data and descriptive analysis investigated lessons from agricultural policies and programmes in Nigeria. The study categorized agricultural programmes and policies into colonial era, post-colonial era and the return to democracy which started in 1999 but failed to mention the Agricultural Transformation Agenda which was launched in 2011 even though the study was published in 2012. The study also listed Family Support Programme, which was not a mainstream agricultural programme; it was a pet project of former first lady of Nigeria, Maryam Abacha.

Agber et al. (2013) identified lessons from the implementation of Nigeria's past na-

tional agricultural programs for the transformation agenda using secondary data and descriptive analysis. Even though the study was published in 2013, it stopped at National Special Programme for Food Security which was launched in 2002 and failed to list agricultural programmes and policies between 2003 and 2013 such as Root and Tuber Expansion Programme. Agricultural Transformation Agenda, Nigeria Incentive-based Risk Sharing System for Agricultural Lending.

Awa and Rufus (2017) conducted their study on agricultural policy and food security in Nigeria using secondary data and descriptive analysis. The study focused only on agricultural policies between 1999 and 2015.

Yusuf (2019) examined agricultural programmes and food security in Nigeria (1960-2016) using secondary data and descriptive analysis. The study did not look at the colonial era policies on agriculture and also failed to mention the agricultural promotion policy of the Buhari regime. The study also listed pet projects of former Nigerian first ladies such as better life for rural women and family support programme which were programmes not fully devoted to the agricultural sector.

NIGERIA'S AGRICULTURAL PROGRAMMES AND POLICIES

The Nigerian government has introduced several programmes, policies, and initiatives to increase agricultural productivity (Iwuchukwu and Igbokwe (2012); Abbas and Ahmed (2015). These include the National Accelerated Food Programme, Operation Feed the Nation, Green Revolution, Agricultural Transformation Agenda, Aquaculture and Inland Fisheries Project, Agricultural Promotion Policy, Roots and Tubers Expan-

sion Programme, National Special Programme for Food Security, Nigeria Incentive-based Risk-sharing System for Agricultural Lending (Tables 2a, 2b, 2c, 2d and 2e). Other objectives of these programmes, policies, and initiatives are to increase food production domestically and also increase Nigeria's foreign exchange earnings through the export of quality agricultural produce; reduce Nigeria's food import bill by being self-sufficient in food production; provide timely improved inputs to farmers, increase farmers' income, and tackle the problem of rural poverty; develop the agricultural value chain; reduce post-harvest losses; make improved technology accessible to farmers, etc.

Table 2a: Objectives and weaknesses of Nigeria's agricultural programmes and policies

| Programmes and policies | Period | Objectives | Weaknesses |
|--|---|---|--|
| Forest policy | Colonial era | To take abundant forest resources out of the forest and utilize them as raw materials in Britain. | Value-added agricultural production was overlooked in favour of export revenue; attention was instead given to timber and export-oriented farm products like cocoa, coffee, groundnuts, oil palm, rubber, etc. |
| Farm settlement scheme | A pivotal part of Western Nigeria Policy of Agricultural and Natural Resources of 1959 and other regional governments | To make farming attractive to young school leavers. | The initiative lacked a sufficient focus and failed to account for the young school leavers' inadequate farming expertise. |
| National Accelerated Food Production Programme | Established in 1972 under Yakubu Gowon's regime | To address the post-civil war food crisis, teach farmers how to produce food (crops), and create jobs. | Due to Operation Feed the Nation's formation, financing was abruptly cut off, and farmers' participation was low because they couldn't organize themselves into cooperatives. |
| River Basin Development Authorities | River Basin Development Decree came into existence in 1976 (Decree 25 of 1976) | To increase the production of hydroelectric power and better utilize water for irrigation-based agriculture, fisheries, and rural infrastructure development and provision. | Poor administration which led to the misuse of public funds. |

Source: Authors' compilation, 2024.

Table 2b: Objectives and weaknesses of Nigeria's agricultural programmes and policies

| Programmes and policies | Period | Objectives | Weaknesses |
|---|--|--|--|
| Agricultural Development Projects | Established in 1974 as Integrated Agricultural Development Projects. They are still in existence. | To boost agricultural production, provide extension services, and ensure the availability and supply of modern farm inputs through efficient farmers' coordination | Insufficient financing and a delay in delivering farm inputs to farmers. |
| Operation Feed the Nation (OFN) | Established in 1976 under General Olusegun Obasanjo's regime. OFN is no longer in existence. | To boost food production through wide-spread and engaged citizen engagement. | Some participants had inadequate farming expertise, there was a glut in the market, individuals in positions of authority received preferential treatment to actual farmers. |
| Land Use Decree | Promulgated in 1978 under General Olusegun Obasanjo's regime and later changed to Land Use Act in 1979 | Effective land management; address the issue of land tenure in the country. | In Nigeria, there are still issues with efficient land management and accessibility. |
| Green Revolution (GR) | Launched in 1980 by former President Shehu Shagari. GR is moribund. | Increase food production (crops and livestock) and supply agro-allied industries with raw materials to boost Nigeria's export revenue. | Improper project monitoring and evaluation, inefficient project execution. |
| Directorate of Food, Roads and Rural Infrastructure (DFRRI) | Established in 1986 by General Ibrahim Babangida. DFRRI is inactive. | Provide basic infrastructure such as rural feeder roads and their maintenance, promote food production and raise the standard of living of rural residents. | Poor management. |

Source: Authors' compilation, 2024.

Table 2c: Objectives and weaknesses of Nigeria's agricultural programmes and policies

| Programmes and policies | Period | Objectives | Weaknesses |
|--|---|--|--|
| National Fadama Development Project | Designed in the early 1990s | To boost the income of Fadama users by stepping up agricultural and non-farm activities, and to provide irrigation technology that is both affordable and effective. | Irrigation technology is capital intensive and is difficult to sustain. Limited number of contacts with extension officers. Inadequate financing. |
| National Agricultural Land Development Authority | Established in 1992 by General Ibrahim Babangida | To encourage the wise use of land and natural resources, to expand employment opportunities, to improve food security, and to raise income and living standards particularly for those in rural areas, to provide low cost agricultural technology, tackle the problem of land tenure. | It couldn't achieve some of its objectives as Nigeria is still backward in terms of agricultural mechanization, board members can be removed at any time, poor management which made it to be inactive until it was revived in 2020 by President Muhammadu Buhari. |
| National Special Programme for Food Security | Launched by former President O l u s e g u n Obasanjo in 2002 | To boost food production and address the issue of rural poverty. | Ownership of postharvest machinery by community or group was a disaster; there was much emphasis on intensive livestock system which is capital intensive; appropriate attention was not paid to enhanced farm storage and agricultural marketing. |

Source: Authors' compilation, 2024.

Table 2d: Objectives and weaknesses of Nigeria's agricultural programmes and policies

| Programmes and policies | Period | Objectives | Weaknesses |
|--|--|---|---|
| Root and Tuber Expansion Programme | Launched in 2003 under former President Olusegun Obasanjo's regime | To promote food production especially of roots and tubers; raise farmers' income; to improve smallholder farmers' living conditions; to train farmers effectively in collaboration with pertinent organizations; to improve the methods for processing roots and tubers and for marketing the resulting products; develop improved varieties and tackle the problem of rural poverty. | Marketing of tubers especially yam outside the country is a major problem due to excessive use of agrochemicals which is not acceptable in European and American markets. |
| National Economic Empowerment & Development Strategy (NEEDS) | Launched in 2004 by former President Olusegun Obasanjo | To reduce food importation; improve agricultural productivity by modernizing the agricultural sector, attain food security status and produce more than enough food in order to export the surplus; incentivize agriculture and encourage private sector participation etc. | Food import bill increased after the launch of NEEDS; food importation is still a major issue in Nigeria; Nigeria's agriculture is still largely not modernized with low technology and low value addition. |
| Agricultural Transformation Agenda | Launched in 2011 under the Presidency of Goodluck Jonathan | To improve the agricultural value chain in Nigeria, lower post-harvest losses, reduce food importation, provide better inputs on time, and eventually boost agricultural production. | Food importation is still going on, and post-harvest losses are still a huge problem. |

Source: Authors' compilation, 2024.

Table 2e: Objectives and weaknesses of Nigeria's agricultural programmes and policies

| Programmes and policies | Period | Objectives | Weaknesses |
|---|---|---|---|
| Nigeria Incentive-based Risk Sharing System for Agricultural lending (NIRSAL) | Established in 2013 under the presidency of Goodluck Jonathan | To give banks substantial incentives and technical support to get them to lend to the agricultural value chain; improve the agricultural value chain. | Only few NIRSAL micro-finance banks are in existence; they are not present in every local government. |
| Anchor Borrowers' Programme | Initiated in 2015 under the presidency of Muhammadu Buhari | To make the agricultural value chain better; connect small-holder farmers with processors, enhance agricultural output, create jobs, decrease food importation, maintain food price stability, and foster the development of new generations of farmers through creative finance. | Loan default as some farmers see the loan as their own share of the national wealth; nepotism and lopsidedness in granting loan to farmers (focused more on some states while their impact is not particularly being felt in other states); inability of some farmers to access the loan despite forming cooperative groups; farmers are not favourably disposed towards their produce being sold at a determined price; produce wastage due to inability to get buyers; corruption |
| Agricultural Promotion Policy | Launched in 2016 under the presidency of Muhammadu Buhari | To boost Nigeria's foreign exchange earnings through the export of high-quality agricultural commodities and to make Nigeria self-sufficient in food production. | Food importation is still going on; low domestic food production and high price of food. |
| Presidential Fertilizer Initiative | Launched by Muhammadu Buhari in 2017 | To make fertilizer available to farmers at affordable rate and as at when needed. | Farmers' inability to get fertilizer at government approved price leading to the input being sold at higher prices. |

Source: Authors' compilation, 2024.

CRUDE OIL REVENUE AND AGRICULTURAL DEVELOPMENT IN NIGERIA

Nigeria has earned so much money from crude oil sales that her agricultural industry should be fully developed by now, but this is not the case. Nigeria's agricultural sector faces numerous challenges that affect productivity despite its economic contribution. These challenges include low irrigation farming, poor land tenure systems, climate change and land degradation, low technology, high production costs and inefficient input distribution, limited financing, high post-harvest losses, and difficult market access (Food and Agriculture Organization, 2018). Nigeria continues to rely on food imports, such as wheat, fish, and dairy goods from other countries. The tragedy is that some of the containers that bring goods from other countries into Nigeria return empty, indicating that Nigeria's export is very low in comparison to a West African neighbour like Ghana, which exports agricultural products such as yam to other countries around the world.

Nigeria's agriculture is so underdeveloped that many farmers in the country, the majority of whom live in rural areas, still rely on rudimentary instruments such as hoes and cutlasses and must journey several kilometres to their farms. This supports the findings of Food and Agriculture Organization (2024) that agriculture in Nigeria is negatively impacted by low technology. Nigeria produces cotton and cocoa but imports fabric and chocolate, therefore agricultural produce processing or value addition is abysmally poor. Nigeria is seriously lagging behind in terms of economic development among oil producing countries of the world that are making giant economic strides. Despite being a significant crude oil

exporter for many years, Nigeria remains a lower middle-income country with poor life expectancy, a lack of basic infrastructure, and the world's capital of extreme poverty, with high unemployment rate

CONCLUSION

In spite of generating huge revenue from crude oil sales for many decades and numerous agricultural programmes and policies, Nigeria still remains a food import-dependent country with serious infrastructure deficit. The oil money has not reflected much on the quality of life of the citizens, as Nigeria is the global headquarters of extreme poverty. Many farmers, particularly smallholders who produce a greater proportion of the country's domestic food, continue to use crude implements and old varieties of crops as planting materials, and those in the livestock sub-sector, particularly those who raise cattle, continue to move them from one part of the country to the next, employing an extensive farming system. Little progress has been made in the area of judicious use of crude oil revenue to improve the quality of life of Nigerians. Those who live in the communities where the oil is produced are suffering from environmental pollution, and poverty is still an obvious reality in these oil-producing communities. For Nigeria to attain meaningful development, there must be accountability, and the government must go beyond policies and programmes and finance agriculture sufficiently and sustainably, irrespective of the political party in power. The country must focus more on increasing crop yield through the use of improved varieties of crops than traditional means of increasing crop yield through cultivable land expansion. In the fisheries and livestock sub-sectors, the use of genetic engineering must be embraced to raise productivity.

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