THE ROLE OF AGRICULTURE IN THE ECONOMIC DEVELOPMENT OF NIGERIA

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Abstract

Nigeria is on its way to modern development. Branding itself as the "giant of Africa", the country now needs to prove its potential by raising its standards to a level with other fast developing economies of the world. The vision 20-20-20 program this country is currently pursuing is a major step to achieve this goal. Nigeria, according to its seven point agenda, is focussing on developing agricultural as an important strategic move. This paper uses trend analysis in terms of a historical and current perspective and various descriptive methods to analyse the development of Nigeria through each decade since its independence in 1960 and examines the factors that have had an impact on its agricultural productivity. This will aid in describing and predicting the performance of the agricultural sector in Nigeria and as a result, the overall economic development of the country in the coming decade. This paper proves that an in-depth research on the development of the agricultural sector is essential to the progress of the country. Also, it is important to find out what has not worked previously and why, before taking any steps to develop the agriculture or the economy. The basis of this development should start with the empowerment of the poor.

Keywords: Agriculture, economic development, Nigeria

Even though Nigeria has a high poverty rate, it still has a higher GDP in comparison to other countries of Africa. Till now Nigeria has been trailing behind Western economies. Today, almost fifty years after gaining independence, Nigeria should compete with economies of the world rather than just African economies. The country is rich in natural resources and has identified the fact that taking appropriate measures can speed its economic development.

With this foresight, it crafted the vision 20-20-20 program. This program aims to make Nigeria one of the twenty largest world economies by the year 2020. The seven points in the 20-20-20 program are: power and energy, food security and agriculture, wealth creation and employment, mass transportation, land reforms security and functional education.

The country seeks to become a leading economy in Africa and a major player in the world's economic and political affairs and their 20-20-20 plan is their guideline. To become a developed nation, Nigeria needs to speed up its economic growth by focussing on vital economic sectors like education, energy, agriculture and manufacturing. At this point in Nigeria's development, the best approach is to focus on the agricultural sector. By focusing on agricultural development, Nigeria can speed up its economic growth in the coming decade.

Currently, Nigeria has 75 percent of its land suitable for agriculture, but only 40% is cultivated. That indicates there is much room for the county to focus on. This addresses the food security and agriculture component of their plan along with the focus on employment for all. However, to move forward, the country must increase the low productivity of current agricultural companies, engage competition within the agricultural sector, develop domestic policies and increase funding (Ayodele, Obafemi and Ebong, 2013).

In terms of the 20-20-20 plan for agriculture, growth promotion is the first goal. There are also goals in the areas of livelihoods improvement, sustainable development and policy and institutional reforms. This involves conducting agricultural surveys, and establishing smallholder fattening schemes for livestock. It also includes the rehabilitation of irrigation infrastructures and expansion of those structures as well. There is also a call for a 1,000 capacity community farm center; there is also a plan for increasing the effectiveness of fish hatcheries by establishing parent stock programs and there will also be vaccination programs for livestock. There will be a revision of the guaranteed minimum price system for crops and livestock; as well there will also be government training for the first 10,000 new agricultural workers (Ayoola, 2009).

One component in determining how to use agriculture to improve economics in Nigeria is to evaluate the historical efforts in terms of agriculture that Nigeria has engaged in since its independence. This will ensure that the country does not repeat past mistakes. In addition, this evidence will demonstrate whether or not it is feasible for agriculture to be a primary factor in Nigerian economic development.

Along with historical factors, there must be an evaluation of both internal and external factors that could impact the Nigerian agriculture market. In addition, it is important to identify the strategies needed to enhance economic growth through the use of agriculture.

The purpose of this paper will be to provide answers to the following questions:

1. What is needed in order for Nigeria to add agriculture as a component of the country's economic market?
2. How is Nigeria currently equipped to increase production in their agricultural sector?
3. Is it plausible for Nigeria to successfully diversify into agriculture?

These questions will be addressed via a detailed review of the literature and careful analysis of historical data and current data.

Agriculture Literature Review

Agricultural Growth

Nigeria is fortunate to have an abundance of fertile soil along with a climate suitable for agriculture. There is also a supply of human resources that could benefit from having the agricultural sector to work in.

As stated above, Nigeria can join the league of economically developed nations by focusing on the improvement of its agricultural sector. A recent group study (Diao, Xinshen, Hazell, Peter & Thurlow, 2009) examined the effect of other channels of growth on the decrease in poverty and the overall growth rate in six low-income countries of Africa. The findings of that research can be applicable to Nigeria as well. According to the study, industrial growth is less effective in reducing poverty than agricultural growth because a major percentage of the population (about 70%) live in rural areas. The agricultural sector is favourable as it allows greater employment opportunities for the poor. It was also noted by Diao et al that even though the industrial sector is important for boosting the economy, it fails to create sufficient employment opportunities for the poor and unskilled workers. In addition, the study stated that there was little evidence to prove that African countries could launch a successful economic transformation without going through an agricultural revolution on a country-wide basis (Di

Agriculture/ Nigerian Economy

How Variables Played to Raise Productivity?

Nigeria has an abundance of material and human resources. The country is divided into three main regions; the Eastern, Western and Northern regions. The Northern region of Nigeria is the largest of the three. It contributes the most to the agricultural sector.

A study identified that the main problems of Nigeria stem from the fact that they are unable to access the natural and human resources (Muhammed, &Atte, 2006). In the study, Muhammed et al observed growth in many different sub sectors of agriculture and their contribution to the

Nigerian economy during the years 1981 to 2003. They also identified the various factors that have an impact on the national agricultural production in Nigeria. They specifically examined the sectors of crops, livestock, fishery and forest. The factors that were examined included population growth rate, GDP growth rate, consumer price index, food import values and the expenditure of government on the agricultural sector. Land, labour and machinery; which are equally important factors were not included in the analysis.

In his study, Muhammed et al found that a negative coefficient exists between the values of food imports. This means that whenever food import in the country increases, national agricultural production tends to decline. Other variables in the study had a positive coefficient leading to the notion that any increase in the variable will result in an increase in the national agricultural production (2006).

Muhammad et al however, did not examine the amount of output and its contribution to the GDP. He also failed to observe whether this amount was sufficient to instigate a transformation in the economy of Nigeria. One may also wonder how much more the government needs to allot to agriculture expenditure to yield a certain amount of agricultural output. Moreover, there is also a need to further investigate whether allocating such an amount in the existing budget is feasible or not. In case of a lack of availability of funds, further study needs to be carried out to find whether acquiring foreign aid to fund the agricultural sector will be a sensible decision or not.

The Role of Market and Non-Market Forces

Since its independence, Nigeria has been well known for the significant amount of its exports of items like groundnuts, cocoa and oil palm products. A formal arrangement was made to market these exports globally. These were known as marketing boards. These boards were given charge to handle the supply chain and logistics of these items. After procuring them from the local farmers, they used to arrange for the export of these items as well as sell them domestically.

It was a very well established system. Due to this, the board had become the main body as it helped fund the needs of the state significantly, through its system of revenue generation which proved to be very effective. The revenue was mostly generated by selling the procured agricultural produce domestically and through exports.

A widely accepted principle in economics states that “people respond to incentives” (Carbaugh, 2009). The existence of the marketing board acted as a chief incentive for key export commodity producers in early 1950s.

The Nigeria Cocoa Marketing Board was the first board that was setup in 1947. The other boards for crops like groundnut, seed cotton and palm produce were established two years later. Ojiowu stated that these boards were, "nation-wide monopsonistic single-commodity marketing boards" (1987, p.253). Besides the main purpose of procuring, grading, marketing arrangements and export of these crops, the board was also responsible for assisting the development of the Nigerian agricultural export industry "for the benefit and prosperity of the producers" (Ojiowu, 1987, p.23).

In 1954, when Nigeria was to assume a federal status, the marketing boards were restructured into regional multi-commodity boards for the three regions; Northern, Western and Eastern. These regional boards were responsible for the procurement of major export crops within each region. The boards were reorganized because they had become key sources of revenue for the regional governments.

The boards were supervised by a central organization called the Nigerian Produce Marketing Company. The main responsibility of this board was to oversee the sales of Nigerian produce on the world market. Initially, the main aim of running these boards was "for the benefit and prosperity of the producers", Carbaugh, (2009). But after the reorganization, the focus of these boards shifted to the regional governments (as a source of revenue generation) with greater control on crop exports restricted to each region.

The regional boards were highly criticised due to poor performance in the agricultural sector and who called? called for reforms to be made. This situation led the federal government to issue a major policy of reverting the board back to their original purpose of operating "for the benefit and prosperity of the producers" Ayoola, (2009). This transformation was achievable because of the increase in the price of crude oil in 1947. The federal government redesigned the price-fixing policies to give the producer per unit price for his agricultural produce, which was near to the price in the world market.

In the 1960's Nigeria's main domestic product was agriculture. This sector provided the country with employment and foreign exchange earnings. The agriculture sector never went away, it was just over taken by the oil boom that began in the 1970's (National Bureau of Statistics, 2012).

Moreover, two more commodity marketing boards were setup to deal with the domestically consumed agricultural produce which at the time were grains, tuber and root crops. After two years, with the creation of more states in 1976, the marketing boards were modified to become nation-wide commodity boards. This step was taken to avoid the establishment of state marketing boards.

The argument that Ojiowu puts up is that new policies were made in haste which resulted in the benefits of the policies lasting only as long as the federal government was not caught in any financial crisis (1987).

In 1977-1978, a surplus in the petroleum market led to a fall in the price of crude oil by four percent. This resulted in a 25 percent decline in Nigerian petroleum exports leading to a decrease in federal revenues and revenues of the state governments as well (which had financially become dependent on the federal government) Diao, Hazell, & Thurlow, (2006).

As the fiscal function of the board was no longer active, the farmers did not get investment funds for their farms. At the same time, the inflation rate increased causing the cost of living to increase as well. The financial crisis made the critical decision of Nigeria's federal government to be perceived as futile and unsuccessful.

According to Ojiowu, the initiatives taken were well intended but were 'myopic'. He opines that a thoroughly conducted research following a gradual scientific reform of the functions of the marketing board would have been much better. Issues like the improvement needs in farms and their potential impact on entities like government revenue could have been key elements of the research (1987).

In Ojiowu's view, the abolishment of the marketing board would have created a vacuum in the Nigerian economy's system as no other private institution existed that could have dealt with the functions of export trade as the board did. His argument was based on the fact that without an independent institutional framework that was responsible for their appropriate functioning, the concept of supply and demand would become meaningless. He believes that "a premature commercialization of an economy without a well-defined production base will lead to stunted development of the economy, especially the agricultural sector" (1987, p.49).

He also warns the government that substituting the commodity marketing boards with the Nigerian Export Promotion Council will prove to be an ineffective move as there is hardly any connection between the Council of Nigerian Farmers and the Export Promotion Council. The Council of Nigerian Farmers is responsible for dealing with issues faced by small-scale farmers who produce most of the export and "non-traded" agricultural commodities (Ojiowu, 1987).

Ojiowu further emphasized that the main purpose of the Nigerian Export Promotion Council (a group of exporters) is based on manufacturing and is concerned with making higher profits rather than creating employment. Therefore, the original purpose of the marketing board was to "to operate for the benefit and prosperity of the producers and the development of the areas of production" (Ojiowu, 1987, p.14).

Mukhtar (1987) and Ojiowu, O. & Mensah., S.N-A (1987) studied this topic comprehensively. While Mukhtar is of the opinion that the decline in the agricultural export is due to the inappropriate policies made by the marketing board, Ojiowu insists that adjourning the board will only worsen the position of the Nigerian economy.

Mukhtar believes that most of the agricultural produce that was under the board's direct control, recorded significantly high levels of production in the mid-sixties. The production levels of the commodities then declined between the years 1970 and 1980 specifically items like groundnuts and palm oil recorded the lowest outputs. As a result, the exports reduced to such an extent that there was then a need to import to fulfil the required demand (1987).

According to historical records, this decline in output took place during the era of the oil boom. From the analysis of the data that was gathered, it was found that a considerable shift had occurred from the agricultural sector to the industrial sector and from rural areas to urban areas.

Mukhtar observed in his study that the main cause of the rise in the rural-urban exodus was the boom of the construction and services industry. The massive amount of spending on these industries, which were mostly located in urban areas, created a demand for an increased number of workers in the cities as well as an increase in wages.

Historically, from the moment the oil boom began there has been a steady decline in the market share of the economy that was held by agriculture. In the 1960's the contribution to the gross national product was 60 percent. In the 1970's this declined to 49 percent and by the 1980's it had declined to 22 percent. This segment of Nigeria's economy had been largely ignored in favour of the oil and gas industry along with mistakes in economic policies in terms of pricing and trade and exchange rates (National Bureau of Statistics, 2012).

This clearly indicates that the shift from rural to urban areas is responsible for the decrease in production. Mukhtar also showed that the main reason for international trade to turn against Nigeria was a low supply of agricultural produce with a relatively high demand. International buyers therefore, started searching elsewhere for the products. According to Mukhtar, if the policies made by the marketing board were strong enough, agriculture could have been sustained (1987), but in Ojiowu's view, elimination of the board could have worsened the situation (1987).

The marketing board and its faulty policies are largely blamed for the decline in Nigeria's agricultural export. The board is held responsible for making the export market unprofitable and hence, seem unattractive to international buyers.

In addition, the vanishing of the groundnut crop had a significant impact on the downfall of Nigeria's agricultural economy. The groundnut was a major cash crop of Nigeria and was cultivated mostly in the Northern areas of the country in Kano. In total, 70 percent of Nigeria's total export earnings were attributed to the groundnut, it cake and its oil.

These pyramids disappeared, not due to a deliberate policy of the marketing board but because of an unavoidable outcome of those policies. The board began a new kind of exploitation of excess labour. The exploitation increased to an extent that production and marketing of exports started being threatened (Mukhtar, 1987).

Economic Development of Nigeria

The term 'development' has been a cause of much debate. Currently, 'development' is universally agreed upon to be infrastructural development and social development of a people (education and health). In terms of per capita income, it is a relatively simpler and widely used method to compare the extent of development. This maybe because it has a positive correlation with the factors stated above (need citation).

This was observed by Todaro and Smith in their work. They wrote, "a common alternative economic index of development has been the use of rates of growth of income per capita to take into account the ability of a nation to expand its output" (2006, p. 9). Ray quoted Lucas as saying, "by the problem of economic development I mean simply the problem of accounting for the observed pattern across countries and across time, in levels and rates of growth of per capita income" (1989, p. 7) and wrote that "low per capita incomes are an important feature of economic underdevelopment –perhaps the most important feature" (1989, p. 10). He clearly stated in his works that "the universal features of economic development –health, life expectancy, literacy, and so on- follow in some natural way from the growth of per capita GNP, perhaps with the passage of time" (1989, p.9). Therefore, the above clearly implies that the indicators are positively correlated.

The term 'economic development' has previously been viewed as alterations in the framework of production and employment. This means that when there is a rise in the manufacturing and service industry in a country, the agricultural sector tends to decline. This is the reason most strategies for growth in economic development focus mainly on rapid industrialization and concentrate on the urban areas while the rural areas and agriculture are highly neglected. Tornado and Smith stated that development was seen as an economic phenomenon which included a prompt gain in the overall and per capita GNI growth. This effect would 'trickle down' to the mass population in the form of employment creation. This results in programs such as the

Structural Adjustment Program and the trickle-down effect that never really occurred in Nigeria (2006).

Many residents in Nigeria are poor and a majority of them are farmers. Increasing their income would result in poverty reduction and hence, an improvement in the Nigerian economy because a very large percentage (69%) of the population live in poverty. It has previously been seen that poverty and development is measured by GDP growth and that growth in turn leads to further development. This is turn demonstrates that development in the agricultural sector can lead to the progress of the Nigerian economy.

Theoretical Framework

Factors that affect Productivity in the Agricultural Sector

The term ‘growth’ can be defined as an increase a worker’s productivity (Ray, 1989). Therefore, to grow, Nigeria should increase its productivity. Nigeria needs to determine how it can grow its productivity and how much it needs to grow to reach its target of becoming one of the next twenty developed economies by the end of 2020. Nigeria also needs to determine what it will require to achieve its target if it plans to concentrate mainly on agriculture for economic growth.

To be successful, there needs to be a relation between agricultural output and the growth in GDP over a period of five decades. Nigeria must also identify factors that are critical to agricultural development in the form of increase in output. Furthermore, Nigeria needs to understand what is necessary to compete favourably in the international market when it can hardly produce enough to feed its own people. In addition, it should be evaluated as to whether an import substitution strategy or export led growth would be able to boost Nigeria’s economic development.

Action plan

The government plays a very significant role in deciding the course of the oil revenue movement throughout the economy of Nigera. The decisions taken by the government (monetary or others) to achieve quick economic growth within a decade, have a major impact on the development of the sector, no matter what that sector may be. To prevent the decline in the agricultural sector, it is crucial to channel oil revenue via an appropriate strategy to the development initiatives crafted for the agricultural sector.

To identify the resources needed for investment in agricultural production, Sheer compared the three countries of Nigeria, Mexico and Indonesia. These countries have all dealt with the challenge of “Dutch Disease”, You should explain Dutch Disease and discovered a few strategies that proved to be successful in the investment in agriculture. He observed that for agricultural stability and growth, the government needs to invest a significant amount of the total spending budget into the agricultural sector. It also needs to wisely choose the spending strategies that will be used (1989).

Trade: Import Substitution or Export led Policy

Import substitution is an inward bound strategy that safeguards domestic producers from competition posed by imported products using trade and tariff barriers. On the other hand, export policy is an outward bound strategy that connects the domestic economy of a country to the world market by encouraging export of domestically manufactured goods (Carbaugh, 2009).

Taking into consideration the advantages and disadvantages of both the strategies, import substitution seems as a more favourable option for Nigeria. Nigeria has been importing huge amounts of food from the international market although it has sufficient resources to produce its own food.

In 2010, Nigeria spent an enormous amount on food imports. They spend USD $635 billion on wheat imports and USD $356 billion on rice imports. It also spent USD $217 billion on the import of sugar and USD $97 billion on fish imports even though Nigeria is rich in marine resources. Over the years, Nigeria has been investing immensely in its exports and has been heavily criticised by internal and external organizations who suggest the federal government to stop depleting the foreign exchange reserves of Nigeria by using strategic initiatives. (See Table 1 in Appendix) Muhammad-Laval & Atte, (2006).

The Minister of Agriculture, Dr. Akinwunmi Adesina said that such importations are making Nigeria economically, fiscally and politically unsustainable. He also stated that Nigerian farmers are sinking into poverty. They cannot get better prices for their produce as their crop is undermined by cheap imports. The minister said that Nigeria has been importing inflation which is resulting in a declining standard of living for rural and urban households that spend 70-80 percent of their income on food items, (Muhammad-Lawal, & Atte, (2006).

To implement the import substitution policy, the government needs to provide subsidies to domestic farmers to give them a boost. Moreover, the strategy should ensure the food being produced is sufficient for domestic production before exporting it. Value addition to agricultural produce should also be considered to get a better price for exports. Agro-allied industries should be setup to process primary products. This will not only add value to raw materials, but will create large-scale employment opportunities for Nigerian youth. A positive aspect of import substitution is that there already exists a market in Nigeria for agro-allied and manufactured goods. This will reduce the risks of setting up a home industry in the country to replace imports.

Domestic producers may not be competitive initially, but this will help in eventually attracting foreign direct investment in the country. When investors recognize that a potential market for their goods exist in Nigeria, it will entice them to setup manufacturing facilities in the country. This will create abundant employment opportunities for locals.

Oil export may decline as Nigeria is running out of its oil reserves and needs to preserve its oil resources. Overall, Nigeria needs to plan well for the future. It may be difficult for the country initially, but in the long-run changing to an agriculturally based economy will help Nigerian economy grow and prosper.

Approach to Investment in Agriculture

Scherr, emphasized that there was a dire need to allot a sufficient amount of government spending on the agricultural sector in comparison to other sectors to counter the issue of the “Dutch disease pressure”. It is important to choose an appropriate investment strategy in this situation. Dr. Scherr identified two main approaches for public investment in oil exporting countries. These were “Modern” agricultural enclaves and broad-based small holder development programs (2006).

Modern Agricultural Enclaves

The main problem faced by Nigeria’s urban dwellers is a shortage of food supplies which results in excess importation. To solve this problem, the Nigerian government should invest on a large-scale in subsidized production units. These units include state farms, commercialized private farms or some capital-intensive projects which use imported industrial machinery. The main aim of the approach was that implementing it will result in a “trickle-down effect” of wealth from massive industrial projects to poor labour via employment.

The negative aspect of this approach is that it results in structural unemployment as it discourages entrepreneurship or self-employment. The agricultural workers who were employed during the oil boom may not be reabsorbed into the economy after being terminated or if other problems arise while implementing this approach. The latest statistics show that 70 percent of the adult population is employed in the agricultural sector, (Carbaugh, 2009). That is why the government needs to focus specifically on this sector to maintain the sustainability of the workers.

One problem that exists is that public funds which are in control of the government agencies are highly mismanaged due to corruption. This makes privatization the need of the day, but these firms can only create a limited number of jobs.

A point to consider here is that large-scale production handled by the government can be quite inflexible. If these firms are handled by private owners, their capitalistic mind set can lead to exploitation of workers because they are in excess and cheaply available. This will just lead to widening of the gap between the poor and the rich and a few capitalists will keep on amassing all the wealth. Scherr observed that a foreign exchange loss after an era of boom can also jeopardize the feasibility of large subsidized projects, monopolize scarce management expertise, fertilizer, credit, and other key inputs in the sector (1989).

Broad-Based Smallholder Development Program

This program involves a broad distribution of subsidized key inputs to farmers that guarantees regular farm production and allows them a consistent income and food security. The components of this program include a method to decrease price instability and risk of farmers, enhanced marketing infrastructure to cut down on costs, more credit allowance, irrigation facilities on a small-scale, drainage construction and rehabilitation. These programs will require a hefty investment to develop services and social infrastructure in rural areas to raise ‘nonmonetary’ income among small farmers (Scherr, 1989).

This approach is more flexible than the previous one as it encourages self-employment. A small farmer can get subsidized inputs and has easy access to family labour and which helps him adapt to changes in costs. Getting more income from their own farms will allow farmers to live comfortably and reduce chances of rural emigration.

In Scherr’s view, Mexico and Indonesia implemented smallholder intensification strategies and proved to be extremely effective in utilising their oil revenues in comparison to Nigeria’s large-scale capitalistic projects (1989). Even though this plan is expensive to implement, Nigeria can afford and implement it if it wants to. It can still rectify the mistakes it made in the last five decades. It is now essential for the country to observe and learn from other countries who have implemented these plans. Nigeria should now seriously put these plans into action in their own country to achieve income and food security and hence, economic development and growth.

Discussion

Nigeria wishes to become one of the twenty largest world economies by 2020 according to its vision 20-20-20 program. The country being rich in natural resources should focus on developing its agricultural sector as an essential strategic move to progress its economy. A country-wide agricultural revolution is the only way to reduce poverty in the country and help it strive for development.

An inverse relation exists between agricultural production outputs and food imports. In 1970s and 1980s, the production outputs declined drastically. This was the era of oil boom which gave a boost to the manufacturing sector resulting in a rural-urban exodus. The industrial sector, even though important for an economy, has limited employment opportunity for unskilled poor workers that are mostly exploited due to their surplus amounts.

Declining outputs led to food importation in massive amounts and increased Nigeria's debt and inflation rate. Cheap import of food undermined local production leading to increased poverty. Nigeria should use import substitution to protect domestic farmers and after the local food requirements are fulfilled, it should export surplus production. Value addition would help the country earn more from exports.

Currently Nigeria can either invest in large-scale production units or develop a program to provide subsidized key inputs to smallholders. The former is an inflexible option as the majority of Nigerian labour force is employed in agriculture. Moreover, capitalistic mind sets of manufacturing facility owners will exploit labour, discourage entrepreneurship and increase the income disparity gap.

The latter option is more applicable to the Nigerian economy as it is expensive, but still affordable. It will encourage self-employment, empower the poor and help farmers get the right price for their produce. Being an agro-based economy, this plan will help Nigeria ensure food security and a consistent income for smallholders. It will help the country pull itself out of debt and poverty.

Conclusion

To channel itself on the path to modern development, Nigeria should examine what factors hindered the development of its agricultural sector, which was the backbone of the Nigerian economy before the era of oil boom. It should rectify the mistakes it made in the last fifty years by immediately putting these strategic plans into action. The people of Nigeria can uplift themselves from poverty and distress by eradicating corruption and devoting themselves to strive for progress.

Their 20-20-20 initiative will keep Nigeria focused on improving their economy and combined with a significant effort to reduce food imports and to increase food production within their own country, Nigeria can see a timely turn around in their investment. Nigeria has the necessary components in place to return to an agricultural-based economy. Research has demonstrated that a return to an agricultural economy is not only possible, but will greatly benefit the entire country of Nigeria.

Referring back to the research questions, it has been determined that Nigeria needs to have financial resources added to the agricultural sector to get it up and functioning. As previously discussed a combination of government subsidies and private companies are needed to boost the agricultural market. There also needs to be revision to current import and export regulations making it more convincing for other countries to accept agricultural products from Nigeria.

It has also been established that Nigeria has the natural resources and human resources necessary to have a strong agriculture sector. Historically, agriculture used to be the main source of revenue for the country, so it is known that the climate and soil are conducive to agriculture.

Last, it has been fully demonstrated that it is plausible for Nigeria to diversity into the agriculture market in their effort to become more self-sustainable and a world economic power. The inclusion of agriculture will be a necessity to accomplish that goal.

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Appendix

TABLE I

NIGERIA'S FOOD IMPORT (1970-1995)

PERIOD	TOTAL IMPORT($M)	FOOD IMPORT ($M)	FOOD/TOTAL IMPORT (%)
1970	1,099	121	11.01
1975	6,045	640	10.59
1980	15,037	2100	13.96
1985	83,582	1286	15.36
1990	54,148	6083	11.23
1995	656,572	86,668	13.20

SOURCE: FAO Trade Year Book, (Various Issues) Rome