

**AN OVER VIEW OF THE IMPACT OF NEEDS ON THE NIGERIAN
AGRICULTURAL SECTOR**

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ABSTRACT

The agricultural sector of every nation is very important to the well being of the nations economy because it provides the basic necessities of life-food and fibre. However, this study emphasizes on the impact of NEEDS on the Nigerian agricultural sector. The problem is that Nigeria's agricultural sector has not been able to keep up with the task of sufficiently providing food needs of the citizens. Several reasons are responsible for this amongst which are poor individuals and Government investments and a deliberate negligence of the sector. The objective of the study is to analyze the implications of NEEDS reforms in the agricultural sector. Six research questions were raised for the study while one hypothesis was formulated. The descriptive and survey research design was adopted for the study with a sample size of (60). The questionnaire was the main instrument used for data collection. CHI-SQUARE (X^2) method was used to analyze the hypothesis. Some of the findings is that government should reverse back to agriculture after so many years of neglect, and after many years of failed instituted reforms programs. The reforms towards agricultural sector development under NEEDS are feasible but they have not yielded expected results so far. Poor planning coordination and inappropriate approaches to the implementation of these reforms are some limitations to strategic effectiveness. Based on these findings, recommendations were made such as the use of essential programs and schemes through effective policies and strategies, supportive infrastructures and sufficient Agricultural financing amongst the study recommendations.

Keywords; *Agricultural sector, NEEDS, Government, and Economy*

INTRODUCTION

Abundantly rich in human and natural resources, Nigeria has been unable to fully develop its agricultural sector. With an estimated population of 115.2 million people in 2001 (NEEDS, 2004) 60% of which agriculture provides employment opportunities to, including those not yet of working age, the sector has lost its prominence in the country's economy by sufficiently meeting its food and fiber needs (Babajide, 1999).

In the 1960s Nigeria' was once the largest exporter of groundnut and palm products and a third largest producer of cocoa-these accounting for over 90% of the country's Gross Domestic Product (GDP). This contribution to national income however began to decline steadily over the years to about 30% in 1996 (Human Development Report, 1996), The decline was not primarily a consequence of the discovery and exploration of oil, which now accounts for 70% of the country's earning (UNDP 2004) in form of crude oil revenue and petroleum taxes and royalties but rather to factors such as;

- i. Neglect of peasant agriculture for food as distinct from agriculture for export
- ii. Abandoning food producing farmers to the mercy of market prices and
- iii. Destruction of incentives for food production through government's concentration of policy, research and extension services on export crop production (UNDP, 1996).

Efforts made by successive governments in the past to resuscitate the agricultural sector through the establishment of Agricultural Development Programs (ADPs) such as Operation Feed the Nation (OFN), 1976-1978), the Green Revolution (1979) and marketing boards for agricultural produce, have not significantly improved the sector's poor performance. The failure of such programs was attributed to weak economic incentives to rural farmers (Ernest, 2004), poor investment on the part of government In the sector participation in agriculture.

Against this backdrop, National Economic Empowerment and Development strategy (NEED), was instituted in 2001 by the federal Government under the leadership of President Olusegun Obasanjo. National Economic Empowerment and Development Strategy; (NEEDS) is not specifically an Agricultural Development Program (ADP) but rather a medium-long term poverty reduction strategy with: the objectives of poverty reduction, wealth creation, employment generation and national value re-orientation (NEEDS 2004). Being a broad based program with sector goals, NEEDS intends to rejuvenate agriculture through some specific goals such as: enveloping and implementing a land preparation service to increase the cultivable arable land by 10% annually and fostering private sector participation in agriculture through incentive scheme (NEEDS, 2004).

The role of agriculture as the mainstay of the Nigerian economy is undisputed. Its development and sustenance are important to the country's economy, given the sector's strategic linkages to most other sectors in the economy. It is important therefore that agriculture's performances are improved upon primarily through policies. According to Babajide (1999), it is difficult to perceive the type of policy measure that could be in place

to surmount poverty without making agriculture a central focus. The success of National Economic Empowerment and Development Strategy (NEEDS) without a question is crucial to a sustainable agricultural development in Nigeria.

Statement of Problem

Right from the colonial period, the decline in agricultural output has persisted despite several measures by successive governments to reverse this trend through policy measures. The consequence of this decline is manifest in the widespread prevalence of poverty, which is linked to the level of development in the agricultural sector as over 40% of Nigerians employed by the sector live below the poverty line (UNDP, 1998). The failure of this largely subsistence agricultural sector to keep up with population growth (CIA World Fact book, 2005) is the concern of this study.

Hence, the researches therefore want to assess the role of NEEDS in the improvement and the problems of NEEDS in Nigerian Agricultural sector, as well as to Highlight the contributions of NEEDS in the Agricultural sector of Nigeria.

Agriculture: An Overview

Either as a concept or in practice agriculture has evolved over the years. Its definition has been constantly expanding to include more activities that in one way or the other have some sort of relationship with the basic process of food production with which agriculture was initially known for. Agriculture literally meant field cultivation, derived from the Latin word of Agar and culture respectively (Akinsanmi, 1997). The term has taken on a new dimension suggesting much more than just growing crops and rearing livestock for food, which Sutherland (1962) described as the act of cultivating the ground. Agriculture has grown to encompass more complex activities ranging from food processing, transportation, marketing, storage etc.

Agriculture can also be referred to as "An industry/business that employs the knowledge of various services for a production process which depends on the growth and development of selected plants and animals, an occupation/profession from which a livelihood can be derived from". Production of food for consumption is only part of agriculture; the disposal of these through marketing is another part.

The expansion of agriculture has not only been in the scope of its activities but also in its importance especially to an economy. According to Babajide (1999) "agriculture does not only provide food, fibre, and employment to a population", it also alleviate poverty because of its wide spread linkages (either forward or backward) to other sectors of the economy". Since agriculture is manifesting in a lot of activities particularly, those of an economic nature, it obviously has far reaching effects on the entire economy Helleiner (1986) said that "agriculture is a veritable source of industrialization".

In Nigeria, agriculture has not been able to fully develop and advance as far as it should have. This is because of several reasons - the discovery of crude oil (Aliyu, 2001) lack of adequate investment by government in the sector destruction of incentives for production (Ernest, 2004) and a general neglect of the sector. Mbanefoh (1998) said that the failure of

agriculture as an industry is attributable to a shift from depending on the sector to depending more on oil According to UNDP (2004) "Government, have lost interest in agriculture by totally focusing on the oil industry.

Several attempts by government to reverse this regressive trend in agriculture through the initiation of several policies and schemes have had no significant success in improving agricultural production in the country. These measures were futile partly because the machinery put to ensure the full implementation of agricultural programs were inadequate. Mismanagement, competing and conflicting administrative structures, political instability, inappropriate measures and wrongly prioritized objectives were some of the factors that caused agricultural policies to fail. According to Attah (2005) "The failure to develop agriculture despite several measures is because of a deliberate neglect in fully implementing agricultural policies. The inconsistency of agricultural programs and projects resulted in such a failure".

The poor performance of agriculture notwithstanding has not robbed the sector of its importance and role in the Nigeria's economic development process. Agriculture is still the mainstay of the Nigerian economy. The World Bank (1990) reported that agriculture remains a major source of income to the poor. It employs a large portion of the country's aged population. (Shehu, 2005).

Without question, agriculture is very instrumental to the process of economic development in Nigeria. Babajide (1999) said that "it is very difficult to perceive a type of policy measure that will alleviate poverty without making agriculture a central focus."

Background to NEEDS

Several governments have in the past, sought to address the incessant economic crises- that plagued Nigeria since her independence in 1960 by initiating various schemes. These were intended as corrective measures to address the economic depression experienced in the country which was as a result of poor sectoral performances. The problems emerged as a consequence of improper management of strategic sectors in the economy. Structural imbalances were as a result of undiversified, monolithic and mono-cultural production bases. A myriad of policies, programs and schemes to revitalize the economy was necessitated by these problems within the economy (CBN 2004).

National Economic Empowerment and Development Strategy (NEEDS)

National Economic Empowerment and Development strategy is Nigeria's home grown poverty reduction strategy. NEEDS build on the earlier two year effort to produce the interim poverty reduction strategy process and the wide consultative and participatory process associated with it. NEEDS in not just a plan, on paper, it is a plan on the ground and founded on a clear vision, sound values and enduring principles. It is a medium term strategy (2003-2007) but which derives from the country's long-term goal of poverty reduction, wealth creation, employment generation and value re-orientation. NEEDS is a nationally co-ordinated framework of action in close collaboration with the state and local governments (with their state Economic Empowerment Development Strategy. SEEDS and Local Economic Empowerment and Development Strategy LEEDS) and other

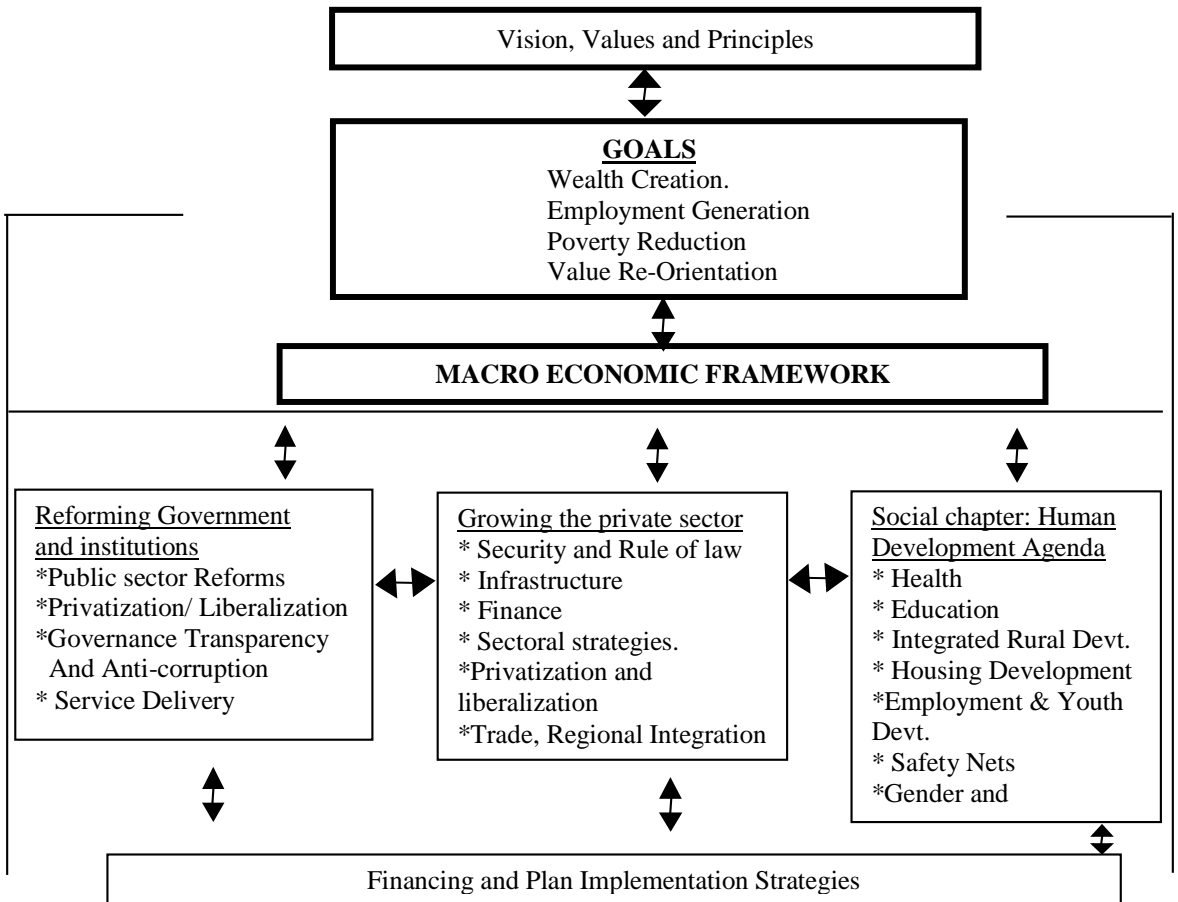
stakeholders to consolidate on the achievement of Nigeria's long term vision of becoming the largest and strongest African economy and a key player in the world economy.

Objective/Policy Thrust of NEEDS

The objective of NEEDS is to enable Nigeria achieved a turn around and grow a broad based market oriented economy that is private sector led and in which people can be empowered so that they can, as a minimum afford the basic needs of life. It is therefore a pro-poor development strategy with sources of economic empowerment being gainful employment and provision of social safety net for vulnerable groups.

Figure 1: NEEDS AT A GLANCE

The diagram below tails the whole story about NEEDS



Selected Target Under NEEDS

SECTORAL TARGETS	2003	2004	2005	2006	2007
Growth in Agriculture (%)	7	6	6	6	6
Manufacturing Sector Growth (%)	7	7	7	7	7
Manufacturing capacity Utilization (%)	53				70
Tourist visitors to Nigeria (annual growth rate (%)	10	10	10	10	10
Communication				Teledensity from 1:40 in 2003 to 1:25 in 2007 and improve access especially in the rural areas.	
Solid minerals				To provide self employment for at least 500,000 Nigerians	
Agricultural Exports				Earn at least \$3 billion from export of cassava and related products by 2007	

Budget Priorities,

In pursuit of its goals the strategy requires that the bulk of government capital fund should go to rebuilding infrastructure, improving education and health. These plus defence, internal security and efficient judicial system are regarded top priorities to which about 60-65% of total government capital expenditure should be located. The table below shows the weights attached to the priority sectors and others.

**Table 1
Proposed Allocation of Federal Government Capital Budget among key priority sectors**

Sector	2004	2005	2006	2007
Agriculture & Rural Development	3	4	4	4
Roads (maintenance, rehabilitation and construction)	12	15	15	14

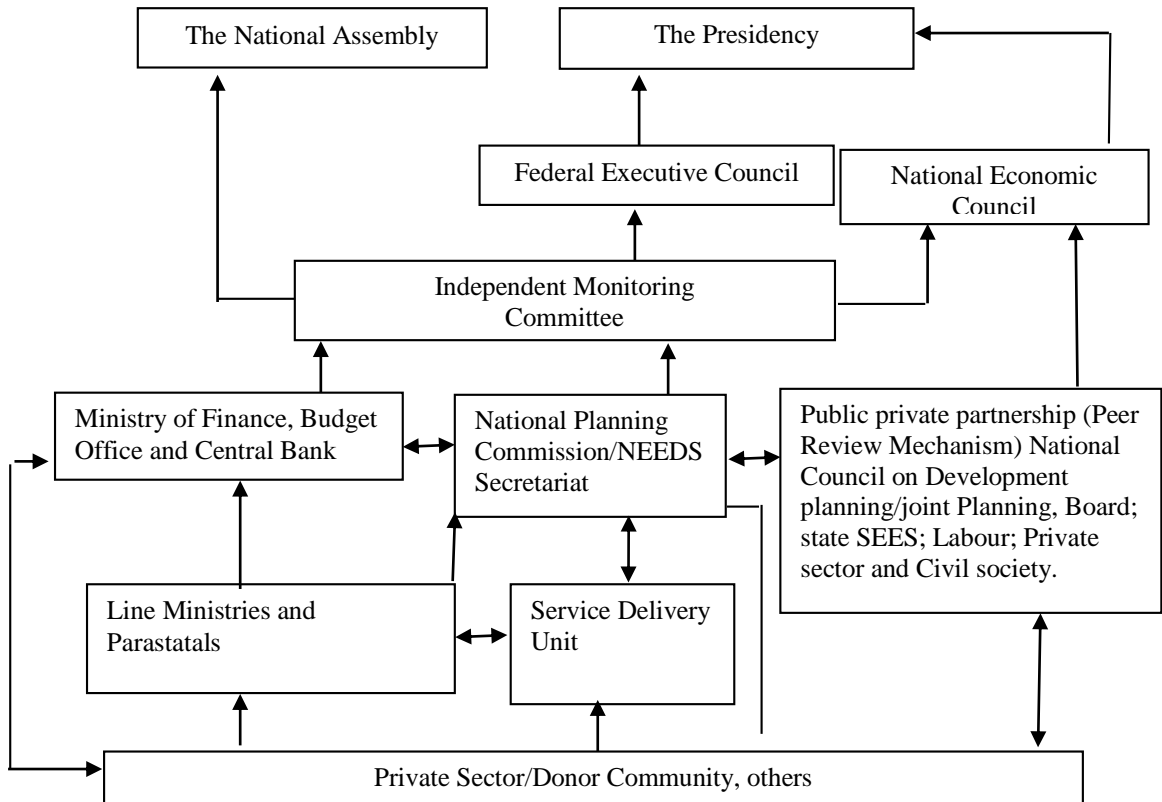
Education	8	8	9	10
Health	8	8	9	10
Water resources	10	10	10	10
Power	16	15	13	12
Share of priority sectors in total allocation	57	60	60	60
Others	43	40	40	40
Total	100	100	100	100

Implementation of NEEDS

The figure below highlights the industrial frame work for the implementation of the NEEDS. It emphasizes the need for programme coordination implementation, monitoring and evaluation. The responsibility of this rests with the planning authorities and constitutions. The president sits at the apex of the implementation leader. He has put together an economic team to assist him beside the council of ministers. The planning organs saddled with implementation include the National Economic Council (NEC) chaired by the Vice President with all the state governors as members. The National Council on Development planning and the joint planning board, these organ are serviced by the National Planning Commission, which serves as secretariat.

A novelty in the arrangement is the establishment of an independent monitoring framework that will involve a broad spectrum of stakeholders. The second innovation is the establishment of a peer review mechanism that will provide an avenue for heads of government of the federation to review progress, problems and learn from the experiences of one another.

Figure 2 Institutional Framework for the implementation of NEEDS



Trends in Agricultural Production and Productivity in Nigeria

In an agrarian economy, the land as a unit for agricultural production provides the needed upon which sustainable development; would blossom. Agricultural productivity In Nigeria has been on the decline since the early 1960's. Although aggregate production has in recent years recorded growth of about 2.5% per annum, this is negligible when compared to the population growth of 3.3% per annum and a food demand of 5.5 per annum (Oguua 1960).

Table 2

Estimated output of some major agricultural commodities in Nigeria 1998-2000 (1000 tonnes).

Commodity	1998	1999	2000
Maize	5127	5776	4107
Rice	3275	3277	4298

Sorghum	7516	7520	7711
Millet	5956	5960	6105
Cassava	32695	32697	33854
Yam	24768	25873	26201
Cowpea	2055	2148	2150
Groundnut	2534	2894	2941
Palmoil	845	896	899
Beef	226	228	230
Goat-meat	141	144	147
Mutton	90	92	94
Pork	463	487	511
Poultry-meat	250	268	273
Fish	483	477	432

Source: Federal Ministry of Agriculture & Rural Development

As table 1 indicates, over the three years period 1998-2000, total food output increased from 54.76 million tones grain-equivalent in 1998 to 57.11 million tones in 1999 and to 57.70 million tones grain equivalent in 2000. The aggregate tones index of agricultural production rose by 4% in 1999 and 25% in 2000 which is about 3.3% on the average during the two-year period. All the sub sectors of agriculture contributed to the increase using 100 for 1984 as the base year, the index of crop production rose from 288 in 1998 to 298,8 in 1999 and 308 in 2000 with percentage increase of 3.7% between 1998 and 1999 and 3.1% between 1999 and 2000, averaging 3.4%. In the live stock sub sector the percentage increases in the index were 2.4% and 2.5% with an average of 2.4% while increases in fishes were 2.9% and 3.8% with an average of 3.4%.

The growth rate for the agricultural sector in 2000 was 4.7%, a slight improvement on the 4.5% recorded in 1999 and 4.25% of 1998 Viewed against the population growth rate of 2.83%. The agricultural growth rate which is higher than the population growth rate, has continued to guarantee the sectors ability to meet the demands on it for food.

Food prices have, however risen in recent time in tandem with the general price rise in the macro economy and in response to increase in government spending arising from increasing income from oil exports, high cost of democracy, high level of money supply and declining value of the Naira. The famine in neighbouring West African countries and the consequential increase in trans-border out flow of food have also contributed to the current high food price in Nigeria. There are indications that cassava products export to Europe for livestock feed in the wake of the foot and mouth disease have reduced domestic supply. The rising food prices and increased demand for agricultural production by farmers in this subsequent years. There is therefore need to ensure sustained increase by putting in place mechanism to absorb the expected production surpluses to break the cyclical glut experienced in the past.

A Review of Agricultural Schemes and Programs

Many programs were put in place in order to improve agriculture performance. These programs have ranged from instituted policies and schemes to the setting up of physical structure as research and financial institutions. These schemes on enhancing agriculture output, improving linkages between the sector and manufacturing and increasing earning and employment in the economy (Babajide 1999). Such a process inevitably needed government's participation. The C.B.N. (2004) noted that government became involved in agricultural sector not only to provide supportive services but also to participate directly in production.

(One of) the first, step(s) by government towards agriculture development was the launching of the Accelerated food Production in 1972, a campaign to grow more Food. In 1973, the federal government established the Nigerian Agriculture Credit Bank (NACB) with an initial paid up capital of N20 million. In further recognition of finance's importance to agriculture, the Agricultural credit Guarantee scheme fund was set up with an authorized capital of N100 million. These programs brought in financial institutions into the agricultural sector and since then until 1996, when sectoral allocation of credit was abolished it was compulsory for a specific portion of banks credit to be made available for agricultural activities. As at 1996, a minimum of 18% of total loans and advances were put aside for agriculture and agro-allied industries (CBN 1996).

In 1976, Operation Feed the Nation (OFN) was initiated with the objective of increasing food production, attaining self-sufficiency in food supply and encouraging all sections of the Nigerian Population to grow Food (UNDP, 1998). In the same period, government announced guaranteed minimum prices for agricultural products. Also, the then existing marketing boards system was reformed to generate adequate returns to farmers. Various other incentives were offered in the areas of tax relief and subsidies on agricultural inputs.

Another major policy that designed to improve agricultural production was the promulgation of the land use Decree in 1978, which focused on the reforms of land tenure system in Nigeria, believed to constitute a formidable obstacle to the sector's development. Part of the programs over the years has been the establishment of research institutes. Some of these are the National Cereal Research institute and the National Agricultural extension And Research Liaison service. Universities of agriculture were also established besides the various schools and faculties of Agriculture in conventional Universities and

polytechnics. International Institutions that complemented these like the international institute for tropical Agriculture (IITA), were also set up.

Most of these programs and schemes did not perform their roles properly. That is why agriculture still lags behind in terms of development.

Constraints to Agricultural Sector Development

Agricultural sector development has faced a lot of problems and a policies, which were made to improve the sector's growth and performance failed to achieve their purpose. Various governments in Nigeria have observed this decline and have attempted to reactivate the sector through several efforts without success (Redding, 2005). As a consequence of this, the state of Nigeria's agricultural sector assumed an economic security threat according to Nwankwo (1992).

Several factors were responsible for the failure of agricultural reforms:

- i. The short term frame and poor sequencing of the prescribed measures.
- ii. Poor implementation of policies
- iii. Political instability and lack of political will (Donli, 2004)
- iv. Lack of continuity associated with government programs, and
- v. Poor management of farms with micro level (Babajide 1999)

Other factors were lack of coordination and commitment during the execution of the policies, which made it impossible for them to have an impact on the farmers. The World Bank (1994) noted that "most of the efforts by government to develop agriculture have been frustrated by inadequate attention to the critical social and economic root" successive government came in to introduce new programs schemes and institutions, which in most cases do not represent continuity and complimentary roles for the existing ones on ground.

These problems can be overcome if government is focused and determined, using appropriate strategies. Only then will the Nigerian agricultural sector grow to perform progressively.

Appraisal of Agriculture in Nigeria

Agricultural practice in Nigeria is largely subsistent with over 90% of domestic production being carried out by the peasant sub-using traditional methods while the remaining 10% is sector carried out by a modern mechanized sub sector (FOS, 1999). Despite; a decline in output agriculture remains Nigeria's mainstay. The National Planning Commission (2004) reported agriculture as " Nigeria's second largest source of national wealth after oil. Annan (2001) said also that despite the sectors fluctuating fortune, agriculture remains crucial to Nigeria's economy, employing 70% of the active labour force and earnings over 90% of non-oil exports' revenue.

At its peak during independence, agriculture was a major foreign exchange earner and a source of revenue to the government. This was before the discovery of oil, after which the sector began to encounter variety of problems. Annan (2001) observed that socio economic and structural factors were partly responsible for the decline in agricultural production. Such factors he said, included the civil war of the late 1960s, the severe drought of the 1970s and 1980s, and the discovery of crude oil and the oil boom of the 1970. Neglect of agriculture by the economy as also a cause of this decline noted by Katherine (1992).

The sector has since remained stagnated inspite of several measures that were made to improve it. Government especially within the mid 1970 and 1985, made several attempts to revive the structure of agriculture and if possible transform it. These projects however had little impacts and constituted a significant drain on the public purse. Attempts made even in desperation, by several government to engage in direct production notably through three programs – integrated Agricultural program, National Grain production company, and the National Root Crops Production Company.

This is reflected in the table below, which shows the actual output of agriculture between 1996 and 2003.

Table 2.7.1 Nigeria's foreign trade in Agricultural Commodities

Year	Export (N'000)	Share of Agriculture %	Imports	Share of Agriculture %
1996	3054.9	1.5	12,840.2	8.8
1997	3437.3	1.6	13,952.4	8.9
1998	3,818.8	1.9	13,873.0	8.5
1999	15,512.0	1.6	88,349.9	11.7
2000	18,020.4	1.3	75,954.2	13.5
2001	19,826.1	1.7	100,728.3	11.9
2002	16,338.9	2.2	100,165.1	16.0
2003	16,394.9	1.4	103,489.8	15.8

Source: FAO, 2004.

The Role of Agriculture in the Nigerian Economy

Despite the poor performance of agriculture in Nigeria, the sector still plays an important role in the economy. According to Idode (1989), agriculture is the mainstay of rural Nigeria. Basic roles performed by agriculture and the provision of food, employment and income. Table 2.7.2, 2.7.3 and 2.7.4 represent agriculture's contribution to food supply, employment and income, respectively. Table 2.7.5 shows agriculture's contribution to GDP.

Table 2.7.2 Data showing the quantity food supply between 1998 and 2003.

Year	Daily Food supply (per capita)	Aggregate Output on tonnes)
1998	2,056	-
1999	2,090	-
2000	2,043	26,363,099
2001	2,221	27,521,016
2002	2,138	27,938,049
2003	2,049	-

Source: (i) FAO, 2004
(ii) PCU, 2003

Table 2.7.3 Agriculture's sectors contribution to total Employment

Year	Aggregate index of Agriculture's Employment	% Employed By Agriculture
1999	227.3	45.7
2000	235.2	43.9
2001	242.4	43.5
2002	250.4	40.8
2003	258.2	37.2

Source: FOS, 2004

Table 2.7.5 Contribution of Agriculture to Gross Domestic Product in Nigeria

GNP per capita (US\$)	320
Agric GDP, % of total	37
Agric Labour Force, % of total	64.1

Growth of Agric Labour Force %	2.4
Growth of Agric, GDP%	3.6

Source: FAO and World Bank, 2001.

Table 2.7.4, Income Earned From Agriculture

Year Export	Commodities (N'000)	Share of % Agriculture
1999	5,933.7	1.6
2000	6,083.6	1.3
1 2001	6,940.6	1.7
2002	5,277.1	2.2
2003	3,747.0	1.4

Source: (i) Financial Times, London
(ii) FAO, 2004

Agriculture and NEEDS

Like SAP, NEEDS was formulated as a general economic reform program with objectives for dominant sectors of the economy. The programs set out to achieve specific goals as enumerated in its guiding document;

- i) Achieve minimum annual growth rate of 6% per annum in Agriculture
- ii) Achieving \$3 billion in agricultural exports, a major component of which will be cassava by 2007.
- iii) Drastically reduce food imports from 14.5% of total imports to 5% by 2007.
- iv) Developing and implementing a scheme of land preparation services to increase cultivate arable land by 10% annually and foster private sector participation through incentive schemes.

Through these, NEEDS is expected to improve agriculture's performance by facilitating an increase in the supply of inputs, employment opportunities and thus the supply of agricultural output.

The initiative through which these objectives are to be achieved are;

- i) Implementation of presidential initiatives on cassava, rice, vegetable oil, sugar, live stock, tree crops and cereals, which should collectively earn about N3 billion annually from export.
- ii) Facilitating easy access to the West African sub-region market by taking advantage of concessionary arrangement within WTO, NEPAD, e.t.c.
- iii) Improving agricultural research, revitalizing agricultural training and streamlining extension delivery systems,

- iv) Providing adequate capital to fund the sector's activities through the Nigerian Agricultural, corporative and Rural development Bank which is to give soft agricultural credit and rural finance,
- v) Increasing the capacity of food preservation by refurbishing the eight functional silo complexes and phased completion of the remaining ones in the country,
- vi) Promoting all-season farming through rainfed and irrigated farming systems all over the country to increase output, and
- vii) Promoting private sector participation alongside marketing companies to guarantee remunerative prices for farmers and stabilized consumer prices.

The program recognized urban-rural migration, change in consumption patterns (from domestic to imported food item), inadequate funds, incentives, processing and storage materials, inconsistent implementation of agricultural policies, and poor land tenure systems as the major constraints to agricultural development and growth. Other problems that plague the sector are the poorly developed services, lack of indigenous technology, and diseconomies in the small scale of production.

The cassava campaign is the most prominent and hence, the most focused policy being pursued presently. Some successes have been recorded so far in this aspect probably because the root crop is easily cultivated and can thrive in almost any soil and weather condition. According to the New Partnership for Africa's Development, NEPAD (2005), cassava is a food security crop that survives critical climatic conditions like poor rains. The Ministry of Agriculture reported an increase in the production of cassava, the surplus of which is then exported as chips, notably to China. Nigeria is the world's largest producer of cassava (UNDP, 2005). Indigenous industries have also been into the processing of this food and cash crop while research institutes are working hard to ensure that only high yielding varieties are made available to farmers for use.

Other initiatives started as a result of NEEDS are the construction of access roads and the provision of agricultural inputs especially fertilizers, which the government provides with a subsidy of 25% (Bello, 2005). In addition, farmlands are being made available through the state government.

An Agro-industrial Raw Materials Production And Advisory Center (ARPAC) has been established as part of promoting the production of raw materials such as seeds/seedlings, breeding stocks and fingerlings. Policy inputs from farmers, training of farmers and primary processing of agricultural outputs are other functions carried out by the ARPA. Attah (2005) however noted that the successes of these projects notwithstanding are insignificant to the agricultural sectors' growth. He noted that agricultural development has refused to break through simply because of a deliberate neglect of the 'wealth of land' and an unnecessary dependence on oil. Efforts by government to encourage private sector participation and investment in agriculture and agro-allied industries by providing incentives such as tax breaks; credit finance and extension services have yielded no positive impacts (Redding, 2005). Although total output has been rising steadily, it is often simply achieved by extending the land area under cultivation. This growth has barely kept a good pace with the ever-increasing population. Continued dependence on uncertain rainfall, nutritional deficiencies in soils, small and dispersed domestic markets, instability and decline in world market prices for agricultural exports, small sizes of most farms, farmers

frequent lack of organization, lack of access roads, neglect of particular needs of women farmers who produce most of the food and the spread of HIV/AIDS are problems that face the agricultural sector (Africa Renewal, 2005).

Though it may take time for agricultural to reach a sustainable level, the results so far are from being impressive as NEEDS suggested.

Area of the Study

The paper covers Nigerian economy as a whole being that the topic of the study comprises the potentials of agriculture in an economy. However, Plateau State was shown as the area of the study. This area was selected considering the fact it is a state known for agriculture and the conclusions there can be applied in other parts of the country.

As a state known for agriculture there are lot of individuals such as farmers, civil servants, industrial workers, business men and women both local and foreigners residing in the area who would have a wider knowledge on the subject of their responses will help to the success of this study.

Population of Study

The population of this study is composed of the Nigerian populace as it concerned in Agriculture and National Economic empowerment and Development strategy. It is also because no citizen or individual will say that the affairs of the government through NEEDS on the agricultural sector do not affect him/her. It is either that the individual is a farmer, industrial worker, employed in the government office or private sector or unemployed, whichever one they belong, the workings of the government still reaches every one of them.

Sample and Sampling Techniques

Sample means a subset of the population. The sample size is eighty (80).

Sampling technique is the method of conducting the sampling. Therefore, the sampling technique used in conducting this research work was the simple Random sampling which gave all the members of the population equal choices of being selected.

Instrument for Data Collection

The main instrument for data collection of this study was the questionnaire. This could be referred to as primary source of data. The questionnaire was chosen because factual information was desired by the researcher on past, present and anticipated events related to the cause of the study. The opinions and views of the respondents through which to arrive at an unbiased conclusion.

The secondary source of data was employed too in areas where the questionnaire filed or was not clear enough.

The questionnaire was structured in two sections that is section A and B. Section A was made up of personnel information concerning the respondent such as *age*, sex, education background, marital status and occupation. Section B was made up of the questions covering the issues about NEED and the agricultural sector relating to the objective of the study.

The secondary data consists of published materials live textbooks, magazines, newspapers, journals, periodicals and unpublished materials like paper presentation and general observation all of which are relevant to the study.

Validity of the Instrument

Validity is the process of finding out the degree to which a researcher or a test in deed measures what it intends to measure.

The questionnaire was given to experts in the field. And my supervisor who scrutinized it to make sure that the actual information was concerning and relating to the course of study and also for easy understanding.

Reliability of Instrument

Reliability on instrument is a process of obtaining information on degree to which a measure will yield similar results for the same subjects at different times or under different conditions on a consistent dependable and accurate way,

The researcher selected a group of qualified competent staff of ten (10) different from the sample of the main study that was chosen. The researcher applied test retest techniques. The rest-retest technique is the process of giving the same instrument to the same individuals or set of individuals on two occasions and the result compared.

The researcher redistributed the questionnaire some days after distributing the first batch of questionnaire to the same group with numbers from one to ten. This is to ensure that the answer given in the first batch is the same with that given in the second batch.

On completion, the researcher discovered that the responses for the sets of questionnaire distributed out were having similar results. The researcher claim that the element is the reliable sample group was consistent.

Administration of instrument

The instrument was personally distributed to the respondent by the researcher and consistently reminded them of the need to attain to it for the success of this work.

The instrument administered were (80) eighty copies and which were collected few days after distribution. So the analysis of data was based on the responses from the sixty (60) copies of the questionnaire collected.

Methods of Data Analysis

In order that proper analysis were made, the researcher in the process of carrying out this research study made use of descriptive statistical measure. This comprises of the percentage measure which was used to analyze the questionnaire. The chi-square was also used to carry out the test of significance.

These methods were used in order to make analysis easy by relating responses of the respondent to their age groups and to obtain the frequency distribution of the information gathered by the respondents.

Thus, the CHI-SQUARE method was used by the researcher.

$$X^2 = \frac{\sum(O_1 - E_1)^2}{E_1}$$

Where X^2 = Chi-square
 O_1 = Observed Frequency
 E_1 = Expected Frequency

Data Presentation and Analysis

This chapter is specially designed to analyze the data collected through the questionnaire administered on the sample. The questions in the questionnaire will be analyzed and the chi-square will be adopted in testing the hypothesis in the research work.

**QUESTION 1:
DOES NIGERIA AS A COUNTRY HAVE AGRICULTURAL POTENTIALS?**

OPTIONS	RESPONSES	PERCENTAGE %
Yes	50	83.4%
No	5	8.3%
No Idea	5	8.3%
Total	60	100%

Source: FIELD SURVEY 2008

From the responses in question 1, 50 (83.4%) respondents said Yes, 5(8.3%) said No while 5(8.3%) are indifferent about agricultural potentials in Nigeria.

Hence, the conclusion is that Nigeria as a country has agricultural potentials which means that Agriculture remains the mainstay of Nigeria's economy.

QUESTION 2: DOES PLATEAU STATE HAVE A CONDUSIVE ENVIRONMENT FOR EFFECTIVE AGRICULTURAL PRODUCTS?

OPTIONS	RESPONSES	PERCENTAGE %

Yes	48	80%
No	9	15%
No Idea	3	5%
TOTAL	60	100%

Source: FIELD SURVEY 2008

From the responses in question 2, 48 (80%) respondents said are YES, 9(15%) are No while 3(5%) has no idea if Plateau State have a conducive environment for effective agricultural products.

Hence, the conclusion therefore is that Plateau State has a conducive environment for growing agricultural products.

QUESTION 3: DOES NEEDS HAVE GOOD PONTENTIALS ON THE NIGERIAN AGRICULTURAL SECTOR?

OPTIONS	RESPONSES	PERCENTAGE %
Yes	44	73.3%
No	12	20%
No Idea	4	6.7%
TOTAL	60	100%

Source: FIELD SURVEY 2008

From the responses in question 3, 44(73.3%) respondents are Yes, 12(20%) are No while 4(6.7%) have no idea if NEEDS has good potentials on the Nigerian agricultural sector.

Hence, the conclusion therefore is that NEEDS with its sector objectives for agriculture has good potentials.

QUESTION 4: HOW WOULD YOU ACCESS THE CONTRIBUTIONS OF AGRICULTURE IN NIGERIA?

OPTIONS	RESPONSES	PERCENTAGE %
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Yes	24	40%
No	33	65%
No Idea	3	5%
TOTAL	60	100%

Source: FIELD SURVEY 2008

From the responses in question 4, 24(40%) respondents are Yes, 33(65%) are No while 3(5%) have no idea on the contributions of agriculture in Nigeria.

Therefore, the conclusion is that Agriculture has not really been able to fully develop and advance as far as it should have. This is as a result of the discovery of crude oil in Nigeria.

QUESTION 5: ARE THERE AVAILABLE SOURCE OF FUNDS FOR FUNDING THE AGRICULTURAL SECTOR IN ORDER TO ENHANCE ITS GROWTH

OPTIONS	RESPONSES	PERCENTAGE %
Yes	20	33.3%
No	34	56.7%
No Idea	6	10%
TOTAL	60	100%

Source: FIELD SURVEY 2008

From the responses in question 5, 20(33,3%) respondents are Yes, 34(56.7%) are No while 6(10%) have no idea about the availability of fund for agricultural industry to grow and develop.

Therefore, the conclusion is that there is no reliable source of funds for funding the agricultural sector in order to grow and develop.

QUESTION 6: DO WE REALLY need NEEDS IN NIGERIA?

OPTIONS	RESPONSES	PERCENTAGE %
Yes	49	81.7%

No	7	11.7%
No Idea	4	6.6%
TOTAL	60	100%

Source: FIELD SURVEY 2008

From the responses in question 6, 49 (81.7%) respondents are Yes, 7(11.7%) are No while 4(6.6%) have no idea of NEEDS is really necessary.

Therefore, the conclusion is that Nigeria as a whole needs the activities of NEEDS to develop.

QUESTION 7: HAVE NEEDS REALLY MADE POSITIVE IMPACT TOWARDS THE AGRICULTURAL SECTOR?

OPTIONS	RESPONSES	PERCENTAGE %
Yes	47	78.3%
No	13	21.7%
No Idea	0	0%
TOTAL	60	100%

Source: FIELD SURVEY 2008

From the responses in question 7, 47 (78.3%) respondents said Yes, 13(21.7%) said No while 0(0%) have no idea about the positive impacts of NEEDS towards the agricultural sector.

Hence, the conclusion therefore is that NEED has made positive impacts towards the agricultural sector.

QUESTION 8: DOES AGRICULTURAL GROWTH ENHANCE EXPORT?

OPTIONS	RESPONSES	PERCENTAGE %
Yes	56	93.3%

No	4	6.7%
No Idea	0	0%
TOTAL	60	100%

Source: FIELD SURVEY 2008

From the responses in question 8, 56 (93.3%) respondents said are Yes, 4(6.7%) are No while 0(0%) no idea as regards to if agricultural growth enhances export.

Hence, the conclusion therefore is that the agricultural growth enhances export.

QUESTION 9: DOES THE AGRICULTURAL SECTOR PROVIDE EMPLOYMENT OPPORTUNITIES FOR NIGERIANS?

OPTIONS	RESPONSES	PERCENTAGE %
Yes	53	88.3%
No	7	11.7%
No Idea	0	0%
TOTAL	60	100%

Source: FIELD SURVEY 2008

From the responses in question 9, 53 (88.3%) respondents are Yes, 7(11.7%) are No while 0(0%) are indifferent about agricultural creating employment opportunities for the people in the country.

Hence, the conclusion is that agricultural sector creates .employment opportunities for the people or citizens of the country.

QUESTION 10: DOES AGRICULTURAL SECTOR AFFECT BALANCE OF PAYMENT

OPTIONS	RESPONSES	PERCENTAGE %
Yes	52	86.7%

No	6	10%
No Idea	2	3.3%
TOTAL	60	100%

Source: FIELD SURVEY 2008

From the responses in question 10, 52 (86.7%) respondents are Yes, 6(10%) are No while 2(3.3%) has no idea about how the agricultural sector affects Balance of payment. Hence, the conclusion is that agricultural sector affects Balance of payment of the country.

QUESTION 11: SINCE THE IMPLEMENTATION OF NEEDS, HAS THERE BEEN IMPROVEMENT COMPARED TO THE PAST?

OPTIONS	RESPONSES	PERCENTAGE %
Yes	20	33.3%
No	35	58.4%
No Idea	5	8.3%
TOTAL	60	100%

Source: FIELD SURVEY 2008

From the responses in question H, 20 (33.3%) respondents are Yes, 35(58.4%) are No while 5(8.3%) have no idea if there has been improvements since the implementation of NEED compared to the past.

Hence, the conclusion is that it has been established however that NEEDS objectives have not been achieved within the targeted period of time.

QUESTION 12: HAS NEEDS THROUGH ITS SECTORED OBJECTIVES ENHANCED AGRICULTURAL DEVELOPMENT?

OPTIONS	RESPONSES	PERCENTAGE %
Yes	44	73.3%

No	11	18.4%
No Idea	5	8.3%
TOTAL	60	100%

Source: FIELD SURVEY 2008

From the responses in question 12, 44 (73.3%) respondents said Yes, 11(18.4%) said No while 5(8.3%) have no idea if NEEDS through its sector objectives for agriculture enhanced agricultural development.

Therefore, the conclusion is that achievements were made through the objectives of NEEDS for Agriculture.

QUESTION 13: DO YOU THINK ENCOURAGING THE AGRICULTURAL SECTOR THROUGH GRANTING OF LOANS AND SUBSIDIES CAN ENHANCE AGRICULTURAL PRODUCTS?

OPTIONS	RESPONSES	PERCENTAGE %
Yes	35	58.3%
No	17	28.4%
No Idea	8	13.3%
TOTAL	60	100%

Source: FIELD SURVEY 2008

From the responses in question 13, 35 (58.3%) respondents said Yes, 17(28.4%) said No while 8(13.3%) have no idea.

Therefore, the conclusion is that granting of loans and subsidies can encourage the agricultural sector.

QUESTION 14: THROUGH THE SECTORED OBJECTIVES OF NEEDS, CAN AGRICULTURE ENHANCE ECONOMIC GROWTH & DEVELOPMENT?

OPTIONS	RESPONSES	PERCENTAGE %

Yes	51	85%
No	9	15%
No Idea	0	0%
TOTAL	60	100%

Source: FIELD SURVEY 2008

From the responses in question 14, 51 (85%) respondents said Yes, 9(15%) said No while 0(0%) had no idea.

Therefore, the conclusion is that agriculture has enhanced economic growth and development in Nigeria.

Testing Of Hypothesis

In this section, the hypothesis been formulated in the chapter one is to find out whether NEEDS through its sector objectives can enhance agricultural development. This will be tested using the CHI-SQUARE METHOD and it will be conducted at 5% level of significance.

TESTING OF HYPOTHESIS

H₀: NEEDS, through its sector objectives cannot enhance agricultural development.

H_i: NEEDS, through its sector objectives can enhance agricultural development.

The Chi-square method is given below

$$X^2 = \frac{\sum(O_1 - E_1)^2}{E_1}$$

Where X^2 , = Chi-Square
 O_1 = Observed Frequency
 E_1 = Expected Frequency

Decision Rule:

Accept H₀ if X² calculated is less than X² critical (read X² table) otherwise reject. Accept the if X² calculated is greater than the X² critical (read from the X² table) otherwise reject. In testing the hypothesis, question 12 will be used.

QUESTION 12: HAS NEEDS THROUGH ITS SECTORED OBJECTIVES ENHANCE AGRICULTURAL DEVELOPMENT?

OPTIONS	RESPONSES	PERCENTAGE %
Yes	44	73.3%
No	11	18.4%
No Idea	5	8.3%
TOTAL	60	100%

Source: FIELD SURVEY 2008

SOLUTION

OPTIONS	O ₁	E ₁	(O ₁ – E ₁)	(O ₁ – E ₁) ²	(O ₁ – E ₁)/E ₁
Yes	44	20	24	576	28.8
No	11	20	-9	81	4.05
No Idea	5	20	-15	225	11.25
TOTAL	60				44.1

$$E_1 = \frac{E O_1}{N} = \frac{60}{3} = 20$$

$$X_2 = \text{I. } \frac{(44 - 20)^2}{20} = \frac{576}{20} = 28.8$$

$$X_2 = \text{II. } \frac{(11 - 20)^2}{20} = \frac{81}{20} = 4.05$$

$$X_2 = \text{III. } \frac{(5 - 20)^2}{20} = \frac{225}{20} = 11.25$$

Decision: From the solution above x calculated which is 44.1 and x critical (read from the x² table) which is 5.991. Therefore, following the decision rule stated earlier above H_i will be accepted, H_o rejected.

Data Interpretation

Based on the calculation above, you can clearly see that χ calculated is greater than χ critical (read from χ^2 table), therefore the null hypothesis which is H_0 will be rejected and the alternative hypothesis (H_1) will be accepted.

Therefore NEEDS through its sectorised objectives can enhance agricultural development.

Summary of Findings

The decadence of Nigeria's agricultural sector has prevailed over the years inspite of several projects initiated to revitalize it. From Operation Feed the Nation (OFN) between 1976 and 78, the Green Revolution in 1979 and agricultural reform programs under SAP in 1986 among others, to agricultural development strategies under NEEDS (2004-07). Problems identified to stall agricultures development are deliberate neglect of the sector, wrong strategies, lack of basic incentive policies. The programs made to deal with these problems are ideal but successfully tackling these problems have been compromised by lack of continuity in implementing the reforms and the process of implementation itself.

Particularly, NEEDS sought to re-ease agriculture's absorption of the working population, the income generated and earned through foreign exchange by the sector and the sector's output especially in food and cash crops such as rice and cassava. It has been established however that these objectives have not been achieved within the targeted period because of several reasons such as government top bottom approach and anti-people stance to solving the sector's problems.

RECOMMENDATION

Agriculture being strategic to the country's economic development needs sustainable and realistic programs that will enhance the sector's output. Despite the fact that NEEDS has not satisfactorily achieved its projected goals of improving the agricultural sector, that does not mean the plan was not properly made but rather, facilitating and implementing the objectives are the major problems. Some ways in which agricultural performance can be improved are suggested below.

CONCLUSION

This study has established the fact that NEEDS as a policy reform program in the light of Nigeria's agricultural sector's development has not significantly succeeded in achieving its purpose, This has been evident from data of the CBN, FAO and FOS presented here in on agricultural output, which have reflected a relatively fixed in some cases, a declining trend This trend has been attributed to a higher growth rate of the population compared to agriculture's output, poor investment in agriculture by government lack of supportive infrastructures (like roads), rural urban migration and a deliberate negligence of the sector, among other things.

The nature of agriculture as being time-dependent and very dynamic does however provide & give room for improvement In conclusion, NEEDS as a program should be made flexible through reviews with regards to the dynamic agricultural sector so as to accommodate most

of the problems that may emerge in the process of implementation for achieving agricultural development.

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