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A Comparative Analysis of Agricultural Performance between the Military and Civilian Regimes in Nigeria

Ehigiamusoe, Uyi Kizito

National Institute for Legislative Studies, National Assembly, Abuja, Nigeria

ABSTRACT: *The paper examines and compares the performance of the agricultural sector during the Military and the Civilian Regimes in Nigeria. It also compares the proportion of public expenditures on agriculture with the allocations to other sectors of the economy such as Education, Health and Transport. The paper adopts a descriptive approach and the findings show that there is a direct relationship between the proportion of public expenditure and agricultural performance and that public expenditure on the Agricultural Sector lags behind the expenditures on these other sectors. The paper also shows that the Agricultural Sector received more percentage of public expenditure during the Civilian regime but the contribution of agriculture to Gross Domestic Product (GDP) was higher during the Military than the Civilian regime. This shows that the performance of agriculture is not only a function of the proportion of public expenditure, but a combination of factors such as judicious use of the resources, the quality of agricultural policies/programmes embarked upon, among others. The paper therefore recommends increased budgetary allocation to the Agricultural Sector as well as its proper and judicious use to guarantee poverty reduction, sustainable livelihood and enhanced food security.*

Keywords—*Agricultural Development, Agricultural Expenditure, Economic Growth, Public Expenditure*
JEL Classification: *H6; O4; Q18; Q14*

I. INTRODUCTION

It is not an overstatement to assert that the growth and development of any nation depend to a large extent on the development of agriculture. Unlike traditional development economists such as Arthur Lewis who believed that agriculture plays a passive and supportive role, modern development economists have come to realize that the agricultural sector in particular and the rural economy in general must play an indispensable part in any overall strategy of economic progress, especially in developing countries. More importantly, majority of the world's poor live in the rural areas and depends upon agriculture for their livelihood. Agriculture is therefore critical both for poverty reduction and economic development. The agricultural sector continues to play a crucial role for development, especially in low-income countries where the sector is large both in terms of aggregate income and total labor force.[1] Stagnation in agriculture is the principal explanation for poor economic performance, while rising agricultural productivity has been the most important concomitant of successful industrialization. Generally, the sector contributes to the development of an economy in four major ways namely; product contribution, factor contribution, market contribution and foreign exchange contribution.[2]
Agricultural production continues to rise around the world, broadly keeping pace with the rising population. The ability of agricultural production to keep pace with world population growth has been impressive, defying some neo- Malthusian predictions that global food shortages would have emerged by now. And it has actually been output gains in developing world that have led the way. According to the World Bank estimates, the developing world has experienced faster growth in the value of agricultural output (2.6% per year) than the developed world (0.9 % per year) over the period 1980- 2004.[3] But progress in agriculture has been very uneven with yields from Sub-Sahara Africa low compared to Asian, Latin America and Europe.

The United Nations Food and Agriculture Organization (FAO) has repeatedly warned of catastrophic food shortages in Africa because the average per capita calorie intake in majority of African countries has now fallen below the minimum nutritional standards. One of the major reasons for the relatively poor performance of agriculture in Africa has been the neglect of this sector in the development priorities of their governments. One of the important challenges for agriculture in development is to get the role of government right. Government

[1] Dethier and Effenberger (2011) Agriculture and Development A Brief Review of the Literature,
[2] Abayomi, (1997) The Agricultural Sector in Nigeria: The Way Forward.
[3] Todaro & Smith (2009) Economic Development, 10th Edition

has a role to play in agriculture simply because of its necessary role in poverty alleviation- and large majority of Africa's poor are still farmers. Poverty itself prevents farmers from taking advantages of opportunities that could help pull them out of poverty. Lacking collateral, they cannot get credits. Lacking credits, they may have to take their children from schools to work, transmitting poverty across generations. Lacking health and nutrition, they may be unable to work well enough to afford better health and nutrition. With lack of information and missing markets, they cannot get insurance. Lacking insurance, they cannot take what seem favorable risks for fear of falling below subsistence. Without middlemen, they cannot specialize (and without specialization, middlemen lack incentives to enter). Being socially excluded because of ethnicity, caste, language, or gender, they are denied opportunities, which keep them excluded. This poverty traps are often impossible to escape without assistance. Hence, government is needed to at least play a facilitating role.[4] It follows that in developing countries such as Nigeria, spending on agriculture is one of the most important government instruments for alleviating poverty in rural areas and promoting economic growth and development.

In realization of this, the Federal Government of Nigeria (FGN) has embarked on various policies and programmes aimed at strengthening the agricultural sector in order to continue to perform its role of combating poverty.[5] Although agriculture had remained the mainstay of the Nigerian economy until the 1970s when oil exploration and exploitation started in commercial quantity, there has been declining contributions of agriculture to the Gross Domestic Product (GDP) in the past three decades. This could be associated with the gross neglect of the agricultural sector occasioned by dependence on the oil sector. Some of the policies and programmes embarked by the Federal Government of Nigeria (FGN) to revamp the agricultural sector in recent times include; Farm Settlement Scheme, National Accelerated Food Production (NAFP), Agricultural Development Projects (ADPs), River Basin Development Authorities (RBDAs), National Seed Service (NSS), National Centre for Agricultural Mechanization (NCAM), Agricultural and Rural Management Training Institute (ARMTI) and Agricultural Credit Guarantee Scheme Fund (ACGSF). Others include the Nigerian Agricultural Cooperative and Rural Development Bank (NACRDB)/Agricultural Bank, Operation Feed the Nation (OFN), Green Revolution Programme, Directorate of Foods, Roads and Rural Infrastructure (DFFRI), Nigerian Agricultural Insurance Company (NAIC), National Agricultural Land Development Authority (NALDA), Specialized Universities for Agriculture, Root and Tuber Expansion Programme (RTEP) and Rural Banking Scheme, etc.[6]

Furthermore, the Federal Government in 2004 launched another economic reform called National Economic Empowerment and Development Strategy (NEEDS) to encourage private sector participation in the development of the economy. It was also aimed at promoting growth and poverty reduction through a participatory process involving civil society and development partners. In the agricultural sector, NEEDS was directed to influence improvement in the production, processing and distribution of agricultural commodities.[7] NEEDS I and II could not transform or make significant impact on the agricultural sector, and they were consequently replaced by The Seven Point Agenda in 2007. The present administration had since 2011 initiated Transformation Agenda to succeed the Seven Point Agenda. Despite all the aforementioned policies and programmes, the performance of the Agricultural sector in Nigeria is abysmal in terms of product contribution, factor contribution, market contribution and foreign exchange contribution.

Since political independence in 1960, Nigeria had witnessed both Civil and Military regimes. Of this period, the Civilian occupied power for about 23 years while the Military was in helms of affairs for over 29 years. It becomes important to undertake a comparative analysis of the proportion of national budget allocated to the agricultural sector and the performance of the sector during these two periods with a view to drawing useful policy conclusions. The paper seeks to provide answers to the following research questions: What is the relationship between Public Expenditure and Agricultural Performance? Did the Agricultural Sector receive more percentage of budgetary allocation than other Sectors during the Military or the Civilian Regimes in Nigeria? Did the Agricultural Sector perform better during the Military or the Civilian regimes in Nigeria? The objectives of the study include;

- To examine the relationship between public expenditure and agricultural performance;
- To compare the percentage of national budget allocated to the agricultural sector between the Military and the Civilian regimes in Nigeria; and
- To compare the performance of the Agricultural sector between the Military and the Civilian regimes in Nigeria.

[4] Todaro & Smith (2009) Economic Development, 10th Edition

[5] Iganiga & Unemhilin, (2011) The Impact of Federal Government Agricultural Expenditure on Agricultural output in Nigeria

[6] Salami, (2007)

[7] Iganiga & Unemhilin, (2011) The Impact of Federal Government Agricultural Expenditure on Agricultural output in Nigeria

Following this introduction, the rest of the paper is divided into four sections. Section two presents the conceptual and empirical issues, section three contains the Data Collection Methods and Analysis. The results are discussed in section four while the last section presents the conclusion and recommendations.

II. EMPIRICAL ISSUES

The importance of agriculture in providing cheap food, raw materials, labour, savings, and consequent demand for non-agricultural commodities has been well documented and considered as the engine of growth. Furthermore, agriculture has the export generating capacity particularly for economies that are in their early stages of development and heavily reliant on primary resources (Johnston and Mellor, 1961; Lewis, 1954)[8]. Moreover, agriculture is an important sector for low-income countries providing employment to about 60 percent of the labour force and accounts for about 25 percent of GDP. However, balancing agriculture and industry (manufacturing and services) is an important yet a difficult dimension of development policy given the fact that the multi-dimensional causality between agriculture, manufacturing and services are largely influenced by various factors. Among these factors are relative differences in farm size, missing markets for insurance and credit or links to financial markets, limited market access and market information, and insecure property and usage rights are at the forefront. Therefore the prime task of getting the fundamental institutions right for agriculture development becomes critical to sectoral development (Dethier and Effenberger, 2011). The importance of public expenditure in accelerating the performance of Agricultural sector becomes visible.

Public Expenditure Management is an approach in budgeting covering aggregate fiscal discipline, allocative efficiency and operational efficiency. These principles require a comprehensive approach to budgeting that goes beyond the traditional annual budget cycle. In view of this, Medium Term Expenditure Framework (MTEF) was arrived at which is a multiyear approach to budgeting, typically covering a 3-year period which attempts to strengthen the link between planning, policy making and budgets. Within this context, the role of public expenditure as an instrument of agricultural development becomes visible and this is an aspect of the on-going debate on the nexus between governance and economic development.

Over the years, government has almost been the sole provider of financial and other capital resources to support agriculture. Government has attempted to increase her expenditure on agriculture through budgetary allocation and through the provision of cheap and readily available credit facilities.

National budgets play a prominent role in modern economic management. They are used for planning and allocating resources as well as forecasting revenue inflow and expenditure. Increasingly, national budget is becoming a pivotal instrument of economic management. The importance of National budget is not only in its presentation to the populace but rather in the structure, patterns, inter-scrotal links as well as the allocations to sectors in accordance to national priority of the government.[9] Basically, Agricultural allocation has a way of bringing desired effect in other sector such as industry through inter-sectoral linkage between agriculture and other sectors of the economy.

In 2003, the Heads of States of the Assembly of the African Union met in Maputo and committed their support to the Comprehensive Africa Agriculture Development Programme (CAADP) and pledged to increase spending on agriculture to at least 10 per cent of the national budget. This Maputo declaration came upon the recognition of the pivotal role of agriculture in the quest for good life and wealth creation, as well as a way of addressing poverty and its attendant consequences. Although this 10 per cent recommendation fell short of the 25 percent recommended by Food and Agricultural Organization (FAO), Nigeria has not been able to meet this target. This is partially responsible for the abysmal performance of the sector since the 1970s. If a higher percentage of the total budget is allocated to the Agricultural sector, ceteris paribus, the performance of the sector would increase, vice versa.

Results from several studies on the relationship between budget and agricultural growth showed that government budgetary allocation has become an important determinant of agricultural output in Nigeria. Akpokodjie and Nwosu (1993) in their study discovered that government allocation to agriculture in Nigeria is relatively low and that actual expenditure falls short of budgetary expenditure and the rate of under-spending is usually higher for agriculture than for other economic sectors.

Dethier and Effenberger, (2011) in their study, found out that between 1980 and 2004, the agricultural sector grew at an average rate of 2.6 percent worldwide, with two-thirds of this growth contributed by Asian economies. Agricultural yields in Asia increased at an average rate of 2.8 percent, an outcome largely explained by the adoption of high-yielding varieties and the intensive use of fertilizer. In Sub-Saharan Africa, the average rate of agricultural growth was 3 percent over the same period but growth per capita of the agricultural population (a broad measure of agricultural income) was 0.9 percent. This disaggregated growth per capita of

[8] Kumar et al (2011) Exploring Sectoral Contributions to Growth in Fiji: A focus on Agriculture Development.
[9] Ogunyemi & Adedokun, (2011) Annual Budgetary Allocation to agriculture and rural income Distribution as Veritable inputs for Agricultural Growth and Development

the agricultural population was indicative of the ineffective impact of poor allocation of budgetary resources to agricultural sector, making the sector to lag behind her Asian peer.

The aim of budgetary allocation to sectors of the economy is to bring government closer to the people. Usman and Ijaiya (2011) estimated the impact of four sectors of the economy namely: Agriculture, Education. Health and Transport on GDP and discovered that there was a clear response of GDP to budgetary allocation to Education, Health and Transport except Agriculture. They examined the underlying factors responsible for the poor performance of sectoral allocation to these key sectors of the economy and recommended an increase in budgetary allocation in order to increase their contribution to the economy.

Ogunyemi and Adedokun (2011) examined budgetary allocation to the agricultural sector between 1985 and 2005 and compared the percentage of total budget allocated to agriculture with the recommended percentage allocation by multilateral institutions. They discovered that Nigeria budgetary allocation to agriculture has been inconsistent, and this has partly contributed to slow and inconsistent planning and policy implementation. Between 1985 and 2005, the percentage of budgetary allocation varied from 0.5 in 1985 to 3.4 in 1999. These allocations fall short of the 10 per cent recommendation of the African Union and too far from the 25 per cent recommendation of FAO.

Iganigan and Unemhilin (2011) investigated the relationship between government agricultural expenditure and agricultural output in Nigeria and found out that Federal Government capital expenditure was positively related to agricultural output. The import of their study is that investment in the agricultural sector is very imperative. This should be complemented with well monitored credit facilities, irrigation facilities, and population control measures.

Ugwu and Kanu (2011) investigated the effects of economic reforms on agricultural development alongside its fundamental roles of food security, supply of raw materials to industries, provision of market, employment and foreign exchange as well as generation of savings for investment in other sectors. They discovered that agriculture contributed minimally during the period in terms of output, market, foreign exchange and capital formation as a result of policy instability, poor coordination of policies, poor implementation and mismanagement of policy instruments and lack of transparency. They therefore recommended genuine democracy and good governance in Nigeria in order to achieve poverty reduction, sustainable livelihood and food security with a view to achieving comprehensive economic development and attainment of the Millennium Development Goals (MDGs).

The major bottleneck to sustainable development in Nigeria can conveniently be laid at the door step of policy inconsistency and policy summersault. Frequent changes in the leadership of agricultural establishments have affected policy implementation and this has resulted to lack of continuity of programmes and projects. A study conducted by USAID (2002) discovered lack of consistency in the growth performance of the agricultural sector in 1981-2000 with some evidence of unstable or fluctuating trends, occasioned by policy instability and inconsistencies in policies and policy implementation. The authors found out that agriculture’s share of total foreign net private investment was very low, being on the average, less than 4% in the entire 1981-2000. It was therefore recommended that government should create enabling policy environment for private investors to operate in agriculture.

The message from the review of literature above is that budgetary allocation to the agricultural sector has been low compared to the recommended per cent at the Maputo Declaration and the recommendation of FAO. It was also discovered that the performance of agriculture was poor occasioned by low budgetary allocation and inconsistency in policy formulation and implementation. The focus at present is on comparative analysis of the percentage of total budgetary allocation to agriculture and the performance of the sector between the Military and Civilian regimes. This study intends to contribute to knowledge in this regard.

III. CONCEPTUAL ISSUES

Since Nigeria’s political independence in 1960 till date, the country had witnessed both Military and Civilian rule, while the Military ruled for 29 years, the civilian had been in power for 23 years. The country witnessed different levels of economic development in these two different administrations. The focuses of these administrations differ and these affected the performance of the different sectors of the economy, agriculture inclusive. Both administrations initiated and implemented different policies and programmes aimed at boosting agricultural performance in the country, and these policies had different impact on the sector. For instance, the Military introduced Operation Feed the Nation (OFN), Directorate for Food, Road Rural Infrastructure (DFRRI), among others. The Civilian on the other hand, initiated and implemented Green Revolution, Presidential Initiatives on selected commodities: cassava, Rice, Vegetable Oil, Cocoa, Livestock, Fisheries; National Economic Empowerment Development Strategy (NEEDS), Seven Point Agenda, Transformation Agenda, etc.

Despite these policies and programmes, Agriculture in Nigeria has remained rudimentary and mostly in the hands of the resource poor in society. The returns in farming are marginal, while the social perception of a farmer is quite derogatory and unattractive for the younger generation. It is for this reason that the percentage of Nigerians engaged in agriculture has continued to decline since political independence because of better opportunities created in the public and private sectors in the big cities. Average life expectancy is 47 years while the current average age of farmers in most communities is well over 50 years. This is a significant imbalance. It gives the assurance of a future food crisis in Nigeria unless corrective measures are immediately taken. The problem now is how to build a successor generation of farmers. This can only be achieved if farming becomes more attractive and profitable to investors and with less drudgery.[10]

Nigeria would have no reason to import major food products if all the past lofty agricultural programs of successive governments had been implemented to the letter. Unfortunately, these programs, just like the administrations that created them were inconsistent and short-lived.[11] The table below takes a critical analysis of the past agricultural policies in Nigeria.

Table 1: Institutional Memory of Agricultural Policies and Programmes in Nigeria

Period	Projects/programmes	Description	Weaknesses
Colonial Period (1900-1960)	Cooperatives (1935-Dates)	The Nigerian Cooperatives Ordinances were promulgated in 1935 to regulate Cooperatives activities in the country. In 1974, a law was enacted which established the department of Cooperatives	Policy inconsistency and administrative dislocations of the Federal Department in charge of Cooperatives
	Commodity Boards (1947-1986)	Commodity Board started during the Colonial era with the establishment of first generation marketing Boards as follows: Cocoa Marketing Board in 1947, Palm produce, Ground-nut and cotton Marketing Boards in 1949. The second generations established in 1954 were the regional marketing boards. They served as buyer of last resort at fixed prices and held strategic or buffer stock.	Inability to pay farmers the subsisting market price then. Scrapped in 1986 under Structural Adjustment Programme (SAP)
First Republic (No Federal Ministry of Agriculture) 1960-1966	Agricultural Research Institutes 1964- dates	Four Research Institutes namely: Cocoa, Oil Palm, Rubber, and Trypanosomiasis were established by the Nigerian Research Institute Act of 1964. In 1975, the Agricultural Research institute Decree came into effect where additional Research Institutes were established to conduct research in various crops, livestock and fisheries.	Instability of Research Institutes as a result of constant movement of the agricultural research institutes from one ministry to another. There was also a major problem of funding of these institutes.
First intervening period of Military Regime (1966-1979)	National Accelerated Food Production Project (NAFPP) 1970s.	Objectives were to increase the yield of seed varieties and enhance fertilizers use and promote extension and credit services as well as adaptive research and staff training. A number of national crops centres were established at different locations, e.g, Ibadan for Rice and maize, Zaria for sorghum, millet and wheat, and Umudike for cassava.	Started very well but the wheat programme was affected by basic withdrawal of political support and lifting of the ban on wheat import.
	Nigerian Agricultural Cooperatives	The main specialized institution for agricultural credit delivery in the country	Directed to provide subsidized credit at single digit interest rate without the corresponding subsidy

[10] Ilona Paul, (2011) Transforming Nigerian Agriculture: Emerging Realities
[11] Ibid

	Banks (NACB) 1975 to Date		provided by government. Needed to be reformed for greater efficiency and effectiveness in resource mobilization and credit delivery.
	Agricultural Development Projects(ADPs) 1975 to date	World bank funded at inception. There are presently 37 ADPs in all states and the FCT. Set up to provide extension services, technical support and rural infrastructural services. Also set up in response to the fall in agricultural production and to sustain domestic food supply and to perform advisory services. ADPs have now assumed a major agricultural development institutions in the states	Delays in the release of funds for these projects and shortages of counterpart funding. Supplies of fertilizers were erratic largely due to centralization. The extension methods used was slow resulting in top down rather than responsive recommendations.
	Operation Feed The Nation (OFN) 1976-1979	This was a mass mobilization and awareness program created in 1976 to1979 in reaction to the first real food crises in the country. The program ended with the advent of the civilian regime in 1979.	The lack of continuity and shift in approach by successive governments were the reasons for its failure.
	River Basin Development Authorities (RBDAs) 1977-date	The major instrument of water resources and irrigation policy to take advantage of the available water bodies in the countries for agriculture, fishing and other purposes. Were the main instruments of government's direct agricultural production through large scale mechanized farming. Had the mandate for land preparation, development of irrigation facilities and construction of dams, boreholes, roads, and distribution of farming fishing inputs.	Failure due to unnecessary political interference and managerial problems. Due to lack of qualified manpower to provide leadership at various levels, as well as and inconsistent government policy
Second Republic Period (1979-1983)	Green Revolution (1979-1983)	Focused on food production, input supply and subsidy, special commodity development, review of agriculture credit guarantee scheme and increased resource allocation to RBDAs	Lack of continuity and shift in approach by successive governments.
Second intervening period of Military Regime (1984-1999)	Directorate of Food and Roads and Rural Infrastructure (DFRRI) 1986-1993	Established to accelerate the rate of infrastructural development in the rural areas. It involved the provision of rural roads, water supply, electricity and community development services as well as promotion of productive activities.	Lack of funds and commitment limited the extent of infrastructural provision in the rural areas. Lack of spatial focus in rural development planning.
	National Agricultural Land Development Authority (NALDA) 1991-1999	The objectives include providing strategic public support for land development, promoting and supporting optimum utilization of Nigeria's rural land resources, providing gainful employment opportunities for rural people as well as raising incomes and improving general living standards in rural areas.	The NALDA approach increased rather than reduce the direct public provision of goods and services which could have been provided by the private sector instead. Many of the MALDA's were duplicated.

Fourth Republic period (1999-2007)	Presidential Initiatives on selected commodities: cassava, Rice, Vegetable Oil, Cocoa, Livestock, Fisheries.	A series of initiatives of the president targeted at a particular commodities to increase food production in line with Vision 202020, with a view to attracting the attention of the highest political authority for special intervention in the commodity sector.	Inadequate funding and lack of institutional arrangements for implementation. Lack of concurrent provisions for storage and processing resulting in large post-harvest losses and apathy on the side of the farmers.
Fourth Republic period (2004-2007)	National Economic Empowerment Development strategy (NEEDS I & II)	The objectives are mainly three fold: Poverty Reduction; Employment Generation; and Wealth Creation	Inadequate funding, lack of continuity and shift in approach by successive governments, lack of commitment limited the extent of infrastructural provision in the rural areas and lack of spatial focus in rural development planning.
Fourth Republic period (2007-2011)	Seven Point Agenda	The Food Security agenda emphasized the development of technologies, research, financial injection into agriculture, production and development of agricultural inputs to change the sector so that there could be massive domestic and commercial outputs as well as technological transfer to farmers.	Non-affordability (accessibility to) of modern equipment and other production inputs, low access to credit/finance, poor rural infrastructure, collapse of research and extension systems, ineffective regulatory framework for enforcing grades and standards, supply side problems, demand-supply gaps, etc.
Fourth Republic period (2011-2015)	Transformation Agenda	Agriculture and Food Security; Secure food and feed needs of the nation; Enhance generation of National and Social wealth through greater export and import Substitution; Enhance capacity for value addition leading to industrialization and employment Opportunities; Efficient exploitation and utilization of available agricultural resources; and Enhance the development and dissemination of appropriate and efficient technologies for rapid adoption.	Low productivity, low level of private sector investment, non-competitiveness, inadequate funding, shortage of skilled manpower, low investment in research and development, poor development of value chain and low value addition, poor regulatory environment, poor quality of goods and services and poor state of physical infrastructure, low level of technology, paucity and poor flow of information and high cost of doing business.

Source: Report on Vision 202020; Agriculture and Food Security 2009, Transformation Agenda & NEEDS Documents

IV. DATA COLLECTION AND ANALYSIS METHODS

Secondary data of Nigeria's budgetary allocation to agriculture obtained from the Central Bank Statistical Bulletin was used for the analysis. We reviewed the budgetary allocation and compared it to the budgetary allocations to other sectors such as Education, Health and Transport between the Military and the Civilian period. The percentage of budgetary allocation to agriculture over the total budget during the periods under review was also compared with the African Union (AU) and Food and Agricultural Organization (FAO) recommended percent budgetary allocation. The approach used in this research was mainly descriptive. Data on GDP and agricultural output were also sourced from CBN Annual Reports, National Bureau of Statistics (NBS) and National Planning Commission (NPC). Data collected were analyzed using descriptive statistics such as percentages, variance, means/averages and frequency tables.

Even though the Military and Civilian regimes in Nigeria covers the 52 years of the nation's political independence, but the scope of this study is limited to the two longest period of Military rule (1984-1998) and Civilian Administration (1999-2012) in Nigeria

V. RESULTS AND DISCUSSION

Tables 2 and 3 show that *ceteris paribus*, there is a positive relationship between public expenditure on agriculture and agricultural performance. This means that the greater the percentage of public expenditure allocated to the Agricultural Sector, the greater the performance of the sector, vice versa. For instance, the Civilian Government in 2002 allocated 6.27 per cent of public expenditure to the Agricultural Sector and the Sector contributed 48.57 per cent to GDP, while the Sector received 3.59 per cent of FGN's budget in 2010 and consequently contributed 35.18 per cent to GDP. Furthermore, the Federal Military Government in 1997 allocated 10.3 per cent to the Agricultural Sector and the Sector contributed 34.03 per cent to GDP, while the Sector received 1.87 per cent in 1990 and consequently contributed 31.52 per cent to GDP. This generally shows that whether Civilian or Military regime, there is a direct relationship between the proportion of public expenditure allocated to Agricultural Sector and the performance of the Sector. This result agreed with the finding of Iganigan and Unemhilin (2011) who found out that Federal Government capital expenditure is positively related to agricultural output. The import of their study is that investment in the agricultural sector is very imperative. This should be complemented with well monitored credit facilities, irrigation facilities, and population control measures.

Table 2 also shows the total expenditures of the government and the percentage of total expenditures on some sectors of the economy. The sectors include; Agriculture, Education, Health and Transport. The Agricultural sector lagged behind the other three sectors in terms of government expenditure. For instance, in 2001, 7.07% of total expenditures went to Agriculture compared to 10.29% for Education, 8.79% for Health and 9.71% for Transport sectors. The percentage of government expenditure on the Agricultural Sector on the average during the Military era (1984-1998) was 3.42%, while the sector got 5.75% during the Civilian era (1999-2010). The analysis showed that more proportion of total expenditure was allocated to the agricultural sector during the Civilian regime than during the Military regime. This implies that Civilian government paid more attention to agriculture than the Military government. This finding agreed with Ogunyemi and Adedokun (2011) when they discovered that Nigeria's budgetary allocation to agriculture has been inconsistent, and this has partly contributed to slow and inconsistent planning and policy implementation. According to them, the percentage of budgetary allocation to the Agricultural Sector between 1985 and 2005 varied from 0.5 in 1985 to 3.4 in 1999. These allocations fall short of the 10 per cent recommendation of the African Union and too far from the 25 per cent recommendation of Food Agricultural Organization (FAO).

Table 2: The Percentage of Total Budget Allocated to Agriculture, Education, Health and Transport Sectors (1984- 2012) in Nigeria

Years	% Allocated to Agriculture	% Allocated to Education	% Allocated to Health	% Allocated to Transport
1984	1.81	3.66	2.68	2.05
1985	1.87	3.69	2.72	2.09
1986	1.82	3.31	2.52	2.01
1987	2.66	3.47	2.64	3.27
1988	2.22	7.17	3.44	2.74
1989	2.76	9.58	3.64	2.96
1990	1.87	5.43	2.28	1.92
1991	1.49	3.08	2.11	1.54
1992	1.12	0.94	0.79	1.22
1993	3.34	7.04	4.42	3.46
1994	4.95	8.79	5.51	4.49
1995	4.94	8.25	5.67	4.77
1996	9.2	12.14	9.63	9.34
1997	10.3	13.37	10.81	10.27
1998	10.9	13.09	10.70	10.91
1999	14.78	13.14	10.29	9.71
2000	4.88	12.24	6.15	4.41
2001	7.07	10.29	8.79	9.71
2002	6.27	13.19	9.28	8.17
2003	2.61	7.28	4.71	3.85
2004	3.84	8.56	5.50	3.61
2005	4.74	8.56	6.99	4.26

2006	4.53	10.02	6.94	4.09
2007	5.29	10.34	7.40	5.29
2008	6.65	10.07	7.79	6.72
2009	4.80	4.09	6.98	6.97
2010	3.59	6.95	5.49	7.47
2011	1.5	8.0	5.1	1.3
2012	1.66	8.43	5.95	1.15

Source: CBN Statistical Bulletin, 2010, FGN budget 2011, 2012

Table 3 shows the contribution of agriculture to Gross Domestic Product (GDP) as well as the contribution of the components of agriculture to the sector. These components of agriculture include; Crop production, Livestock production, Fishing and Forestry. The overall average contribution of agriculture to GDP during the Military era (1984-1998) was 35% while agriculture contributed 34% to GDP during the Civilian era. This showed that agriculture contributed more to GDP during the Military era than it did during the Civilian era. Although more proportion of total expenditure was allocated to the Agricultural Sector during the Civilian regime, but the sector performed better during the Military era. This showed that the performance of agriculture is not only a function of the proportion of total expenditure allocated to it, but a combination of factors such as judicious use of the resources released to the sector, the quality of agricultural policies/programmes embarked upon, etc. This result corroborates the finding of Usman and Ijaiya (2011) when they examined the impact of four sectors of the economy namely: Agriculture, Education. Health and Transport on GDP and discovered that there was a clear response of GDP to budgetary allocation to Education, Health and Transport except Agriculture. They examined the underlying factors responsible for the poor performance of sectoral allocation to these key sectors of the economy and recommended an increase in budgetary allocation as well as judicious use of resources and consistent policies in order to increase their contribution to the economy.

Furthermore, Ugwu and Kanu (2011) investigated the effects of economic reforms on agricultural development alongside its fundamental roles of food security, supply of raw materials to industries, provision of market, employment and foreign exchange as well as generation of savings for investment in other sectors. They discovered that agriculture contributed minimally during the period in terms of output, market, foreign exchange and capital formation as a result of policy instability, poor coordination of policies, poor implementation and mismanagement of policy instruments and lack of transparency. They therefore recommended genuine democracy and good governance in Nigeria in order to achieve poverty reduction, sustainable livelihood and food security.

Table 3: Contribution of Agriculture to Gross Domestic Product (GDP) 1984 – 2012 in Nigeria

Year	Crop Production (N' Million)	Livestock (N' Million)	Forestry (N' Million)	Fishing (N' Million)	Agriculture (N' Million)	GDP (N' Million)	% of Agric. in GDP
1984	16,920.00	4,474.71	1,263.96	1,140.76	23,799.43	59,622.53	39.92
1985	19,729.00	4,841.62	1,344.26	710.33	26,625.21	67,908.55	39.21
1986	20,442.00	4,994.93	1,439.76	1,439.76	27,887.45	69,146.99	40.33
1987	31,214.00	5,660.33	1,456.22	873.67	39,204.22	105,222.84	37.25
1988	48,679.00	6,009.19	1,703.77	1,532.42	57,924.38	139,085.30	41.65
1989	56,577.43	7,970.21	1,992.06	3,173.30	69,713.00	216,797.54	32.16
1990	68,416.71	9,562.01	2,149.05	4,216.84	84,344.61	267,549.99	31.52
1991	80,002.02	10,528.75	2,232.01	4,701.28	97,464.06	312,139.74	29.3
1992	120,720.11	15,565.60	2,740.07	6,199.47	145,225.25	532,613.83	27.27
1993	196,133.79	24,723.82	3,633.33	7,341.73	231,832.67	683,869.79	33.9
1994	296,966.75	36,707.48	5,479.85	10,090.78	349,244.86	899,863.22	38.8
1995	527,474.39	65,704.63	7,560.53	19,067.28	619,806.83	1,933,211.55	32.06
1996	713,786.10	88,150.18	9,497.90	30,022.89	841,457.07	2,702,719.13	31.13

1997	807,759.75	98,033.82	11,500.06	36,255.74	953,549.37	2,801,972.58	34.03
1998	892,052.66	107,013.73	14,547.64	43,969.98	1,057,584.0	2,708,430.86	39.04
1999	948,183.00	111,110.06	17,684.27	17,684.27	1,127,693.12	3,194,014.97	35.3
2000	1,000,069.45	116,393.38	22,436.91	54,010.26	1,192,910.00	4,582,127.29	33,75
2001	1,337,766.57	154,495.45	27,462.61	75,170.90	1,594,895.53	4,725,086.00	23.1
2002	3,050,243.47	183,202.17	33,186.13	90,431.17	3,357,062.94	6,912,381.25	48.57
2003	3,275,429.22	202,263.06	40,421.11	106,466.10	3,624,579.49	8,487,031.57	42.7
2004	3,478,096.41	243,887.53	51,658.25	130,116.50	3,903,758.69	11,411,066.91	34.2
2005	4,228,282.24	313,252.32	61,785.79	61,785.79	4,773,198.38	14,572,239.12	32.75
2006	5,291,619.0	378,702.61	73,461.07	196,454.21	4,773,198.38	18,564,594.73	25.71
2007	6,024,381.00	434,151.66	83,812.04	215,523.03	6,757,867.73	20,657,317.67	32.7
2008	7,114,793.96	512,943.55	99,022.65	254,637.17	7,981,397.32	24,296,329.29	32.85
2009	8,200,921.69	583,623.47	111,071.52	290,689.37	9,186,306.05	24,794,238.66	37.05
2010	9,159,983.65	661,662.21	124,283.20	327,722.93	10,273,651.9	29,205,782.96	35.18
2011	N/A	N/A	N/A	N/A	N/A	N/A	40.6
2012	N/A	N/A	N/A	N/A	N/A	N/A	37.9

Source: CBN Statistical Bulletin, 2010, FGN Budget 2011, 2012

VI. CONCLUSIONS AND RECOMMENDATIONS

There is a positive relationship between public expenditure on agriculture and agricultural performance. This means that *ceteris paribus* the greater the percentage of public expenditure allocated to the Agricultural Sector, the greater the performance of the sector, vice versa.

The percentage of Public expenditure allocated to the Agricultural Sector is very low compared to the expenditures on other sectors of the economy such as Education, Health and Transport. When judged against the most widely cited international benchmarks such as Maputo Declaration and Food and Agricultural Organization recommendations, the budgetary allocation to agriculture in Nigeria is also very low.

Although more proportion of total expenditures was allocated to the agricultural sector during the Civilian era than during the Military regime but the sector contributed more to Gross Domestic Product (GDP) during the Military than the Civilian regime.

There is need to increase the budgetary allocation to the Agricultural Sector from the present less than 5% of the total government annual budget to over 10% in order to boost food production and alleviate poverty in the country.

There is also the need to judiciously utilize the resources allocated to the Agricultural Sector as increase in the percentage of budgetary allocation to the sector does not automatically increase the sector's performance if the resources are mismanaged. Consistency in government policies/programmes is also needed to boost the performance of the sector.

In conclusion, the effects of economic reforms on the agricultural sector cannot be said to be satisfactory in view of its minimal contribution to the sector. Both the government and the private sector, which should drive the agricultural sector through consistent policies, robust funding and infrastructural development, have failed to accord agricultural development the priority it deserves. Moreover, the anticipated benefits from agricultural development have been minimal in Nigeria. There is therefore urgent need to revamp the sector through adequate budgetary allocation, consistent policies and judicious uses of allocated resources in order to guarantee poverty reduction, sustainable livelihood and enhanced food security which will lead to a comprehensive agricultural development as well as the attainment of the Millennium Development Goals(MDGs) in Nigeria.

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