RESTRUCTURING THE AGRICULTURAL SECTOR AS A PANACEA FOR DIVERSIFYING NIGERIA ECONOMY: A HISTORICAL APPRAISAL

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Abstract

The economy of Nigeria has remained underdeveloped from the pre-independence period into the First Republic and beyond. By 1969, there was a rapid growth in the volume and value of petroleum export which had started ten years earlier. One major consequence of petroleum boom from 1973-74 was the neglect of agricultural production which affected both exports and domestic consumption including food. Agriculture was left for the aged and the illiterate peasants in most areas of the country. Thus, Nigeria became a one commodity exporting country with all the hazards associated with that phenomenon. Oil revenue came in large volume and was utilized in such a way that deepened dependence and underdevelopment of Nigeria`s economy. The increase in revenue failed to bring about diversification of the economy which would have been an improvement in the strength of that sector to carry any future eventuality. In the process therefore, Multi-nationals derived more benefit than Nigeria which remains a dependent peripheral capitalist economy deploying the revenue accruable from oil on various activities. In order to succinctly achieve a proper sequential appraisal of the challenges that have continued to weigh down the country economically since Independence, and to proffer veritable restructuring panacea, the study relied on Qualitative research methodology sustained by ubiquitous secondary sources.

Keywords: *Economy, Agriculture, Oil, Diversification, Export*

Introduction

Even as Nigeria`s independence has spanned over half a century, the country is still highly under-developed. Over the years, through several regimes of leadership, whether civilian or regimented; it is now clear that even with the comparative advantage of enormous human and material resources, the country is still dependent on developed economies for most of its needs and ideas. The reality is that no healthy economy for instance is growing at 7 per cent, with over 27 per cent unemployment rate[1], 8 per cent inflationary rate, 25 per cent lending rates (cost of funds), less than 25 per cent contribution of the manufacturing sector to Gross Domestic Product [2] to mention but a few. Nigeria with an estimated population of 170 million, acclaimed to have a rebased economical statistical data of 509 million dollars in 2013 [3] has suffered from years of mismanagement, inconsistent and poorly conceived government policies, neglect and the lack of basic infrastructure. Even with the paucity and fragility of data the structural shift embodying the rise of oil and the decline of agriculture “from 50.2 per cent to 41.8 per cent” of GDP was then clearly manifest.[4] That Nigeria is no longer a major exporter of cocoa, groundnuts (peanuts), rubber, and palm oil is no more news, but the bitter unfolding reality lies in the fact that there is a dramatic decline in cocoa, groundnut and palm oil production.

The place of agriculture in Nigeria’s economy has remained critical over the decades. Prior to the political crisis of 1967-1970, agriculture’s positive contributions to the economy were instrumental in sustaining economic growth and stability. The bulk of food demand was derived from domestic output, thereby obviating the need to utilize scarce foreign exchange resources on food importation. Stable growth in agricultural exports constituted the backbone of a favorable balance of trade. Sustainable amounts of capital were derived from the agricultural sector through the imposition of several taxes and accumulation of marketing surpluses, which were used to finance many development projects. A typical example is the first Nigerian skyscraper – the cocoa house in Ibadan and the University of Ife which were built with proceeds from the sale of cocoa and the University of Nigeria Nsukka with oil palm money.[5]

From the early 1970 to date, Oil and gas have consistently accounted for between 95% and 98% of the country`s export earnings and hardly less than 83% of the central government revenue.[6] During the same period, agriculture was consistently neglected not only with regard to funding but also with respect to the provision of basic social infrastructure as well as modern inputs. Agriculture's contributions to the economy became relatively insignificant. This development is reflected in rising food prices and inflation, increased imports of food and agricultural raw materials for local industries, a relative decline in agricultural export earnings and deteriorating living conditions.[7]

Nigeria has dwelled only on its huge crude oil resources as the major source of revenue, driving a monolithic economy for years in spite of the enormous developmental challenges it faces. Regrettably, the oil resources are being mismanaged and a substantial part of it has gone on rent seeking common in Nigerian bureaucracy.[8] In addition, the main springs of the agricultural programs have always resided outside Nigeria, and with trans-national corporations such as Shell, Cebeco-Hande, Israad, Upjohn and Scandoz.[9]

It is imperative that the country finds ways to diversify its economy by boosting agricultural and non-traditional sectors, expanding its range of products for exports and engaging new economic and trade partners. As a matter of priority, the Nigeria government must encourage the diversification of Nigeria's economy. It is the only viable way to survive the current environment of global economic uncertainty with the volatility of oil price. It is crucial that government do not believe that oil provides an endless source of revenue. Diversification presents the most competitive and strategic option for Nigeria in light of her developmental challenges. Diversification has a lot of benefits for Nigeria to maximally utilize her abundant resource – base to rebuild the economy and enjoy the benefits of all the linkages, synergy, economies of scale, grow national technology and foreign investment profile, build human capital, exploit new opportunities, lessen averagely operational costs, increase national competitiveness and grow the standard of living and confidence of the citizens for national renaissance.

Conceptual Analysis

Diversity

The University of Oregon in the United States of America, writing about diversity said "the concept of diversity encompasses acceptance and respect. These can be along the dimensions of race, ethnicity, gender, socio-economic status, age, physical abilities, religious beliefs, political beliefs, or other ideologies. It is the exploration of these differences in a safe, positive, and nurturing environment.[10] Diversity has also been defined to encompasses complex differences and similarities in perspective, identities and points of view among individuals who make up the wider community. Diversity includes important and interrelated dimensions of human identity such as socio-economic status, nationality, citizenship and ability.[11] Diversity has been used in different forms and in different contexts. Either way, it connotes difference.

Restructuring

The simple meaning that comes to the mind, for restructuring, is to change the status of something and make it more functional. Restructure is the transformation from one representation to another at the same relative abstraction level, while preserving the subject system`s external behavior.[12] There are several other definitions of restructuring but the central meaning in all of them is that it is about altering the way something is structured in order to make it more functional or effective. The aim is to make it more effective and profitable, hence, it is not in doubt what exactly restructuring means as a concept. Former Military Head of State, Ibrahim Babangida observes that; Restructuring will help to reposition our mindset as we generate new ideas and initiatives that would make our union worthwhile and more functional based on our comparative advantages.[13] It comes back to say that restructuring is a necessary process to bring a failing enterprise back to life and put it back on the path of profitability.

Economy

Specifically, economy refers to the relationship between production, trade and the supply of money in a particular country or region. Such would involve financial, commercial, budgetary and productive engagements meant to help and sustain a people. It is important to note that an economy could be created, managed, stimulated and boosted or reduced and kept down over a given time through certain policies. On a larger scale, economy involves the collective expenses, investment, productivity, importation and exportation made by a group or country, not over-looking the immediate and later well-being or condition of the generality of its members or citizens.[14]

Agriculture in the Nigerian Economy, 1960-1970

The economy of Nigeria has remained under-developed from the pre-independence era to the First Republic and beyond. After independence, some of the colonial agricultural policies were continued; in some instances, they were modified. For instance, the marketing boards were retained and continued to exploit the peasant farmers until General Olusegun Obasanjo`s military regime reformed them in 1976.[15] Economic resentment on regional basis have aggravated political rivalries that marked the First Republic. However, significant improvement in productivity have occurred as a result of increased regional specialization in production and the introduction on a substantial scale of new technology. The investment in entirely new crops, such as cocoa and rubber, the most far-reaching of these innovations especially the new crops and transport produced an alteration in the structure of production in the economy. [16] The country was ranked among the leading cash crop exporters in cocoa, palm oil and groundnut. These cash crops were the major foreign exchange earners for the country.[17] However, In the first republic the Northern and Eastern regions for example had single crop economies- groundnut and oil palm productions respectively which left both regions more vulnerable to price fluctuations in the world market than the more diversified economy of the Western region.[18]

Nigerian economy was also under external control by the multi-national companies, coupled with the fact that the colonial economic policies also made Nigeria to rely solely on the export of cash crops, by fostering foreign oriented agriculture on the indigenous farmers. Nigeria was then the world largest exporter of various primary goods such as groundnut, palm oil and continued to be the second largest exporter of cocoa up till the 1950s. These three crops amounted to 70 percent value of Nigerians export. Other important export crops were cotton, rubber and timber. However, from 1969, there was rapid growth in volume and value of petroleum export which had started ten years earlier. This rapid growth coincided with sudden decline in agricultural exports.[19]

Thus, the country gradually and progressively shifted from the export of cash crops to that of petroleum as the main foreign exchange earner. Many factors contributed to this shift. The first was the gradual but progressive decline in agricultural production for export. Palm oil and rubber suffered as a result of certain challenges such as the civil war of 1967, diseases of the crop, drought, aging of the stalk of trees and the discrepancies of the marketing Board system which did not encourage the peasant farmers either, as the board did not plough back their revenue and profit to stabilize producer prices when world market prices fluctuated downwards.[20]

The diversion from export to home consumption of agricultural products was not entirely a decline in production though methods of production did not improve at the rate sufficient enough to increase the production of the product particularly, those products which have found a large home market. The second factor for the shift was that Nigeria has always lacked the indigenous entrepreneur class, with accumulative base in agriculture who could expand agricultural production to the extent to fully satisfy both home and export demands. Moreover, overtime, the successive Nigerian governments have largely remained unable to evolve and support the emergence of a powerful and productive indigenous entrepreneurial base, by limiting and controlling the economic activities of multi-national companies.

An Overview of Nigeria Economy Since 1970

From the early 1970s to the second decade of the present 21st century, oil and gas have consistently accounted for between 95% and 98% of the country`s export earnings and hardly less than 83% of the central government revenue. During the same period, agriculture was consistently neglected not only in regard to funding but also with respect to the provision of basic social infrastructure as well as modern inputs.[21] Although government enunciated agricultural programme such as the National Accelerated Food Production Programmes (NAFPP, 1972), the Agricultural Development Programme (ADP, 1974), among others, yet Nigeria became increasingly a food-dependent country. [22] For many years, Nigeria enjoyed increased revenue from the oil sector. It is rather disheartening to observe that such gains were not maximized by the Nigerian government in the area of diversification, for growth and the ability to withstand economic shocks. The oil wealth was processed by various agents including the multi-national companies. As a result of increase in petro-naira, Nigeria became financially autonomous with large revenue to recycle in development project.[23]

During the Second Republic, the Shagari administration continued to be dependent on the revenue accruing only from petroleum. The government indulged the appetite of the farmers through the increased importation of fertilizer into the country. Nigeria imported about 402,429 metric tons of fertilizer in 1979. By 1981 the amount of fertilizer imported into the country rose to 1.03 million metric tonnes. The Shagari government spent about N363.9 million on fertilizer importation between 1980 and 1983.[24] However, most contracts for the importation of fertilizer were allegedly inflated by bureaucrats in the agriculture ministry in collaboration with party officials. Thus the country remained a net importer of food after nearly four years of government efforts aimed at improving the situation. The administration also failed to diversify or improve the economy rather continued to depend on revenue from oil for diverse projects. By the time the civilian government of the second Republic was overthrown in Dec 1983, the economic situation in Nigeria had worsened. Inflation was advanced in stage and standard of living had continued to fall while government had advocated further belt tightening. The Military take-over came at a time observers felt that the federal government was reaching a point of financial collapse. The second military tenure of 1984 to 1993 thus started as a "corrective government".

The new regime under Ibrahim Babangida came out with certain new policies for economic and political reforms within the different sectors of the economy all relying on the world Bank and the International Monetary Fund (IMF). But this policy was rejected by Nigerians when it was thrown open to public national debate. Yet the regime under the strong persuasion of Nigerian creditors adopted the IMF and World bank policies for economic recoveries based on the structural Adjustment policy (SAP).[25]

The World bank and IMF prescribed SAP to restructure the economy and achieve less government expenditure through less government establishment, no government subsidy, economic balances, right pricing and deregulated economy, including the devaluation of the currency. Nevertheless, it would appear that these implemented IMF conditionalities were counter-productive. For example, the withdrawal of government subsidies on goods and services such as petroleum products, agricultural imports like fertilizers, withdrawal of government regulation of the value of naira were apparent measures undertaken by the government. Be that as it may, this appeared not to help matters sequel to the following observations made by Chu Okongwu; "the evident overvaluation of the naira, reinforced by irresponsible monetary creation, thanks to the infusions into the treasury arising from over-reliance on `fiscal linkage', the attempt to maintain unmaintainable expenditure levels, and lagging real production, now make currency devaluation quite unavoidable."[26]

SAP as implemented in Nigeria soon came under severe public criticism as it clearly led to more societal ills. Besides, the International community especially the developing countries, including non-governmental organizations in the world, did criticize the World Bank and IMF over reliance on open market forces as fundamental causes of world social crisis in the past 15 years. In Nigeria, the devaluation of the naira has reduced its value from one naira triggered off the naira value descent from naira to nearly two U.S dollars to the present three hundred and sixty-three naira or more for one U.S dollar. By 1995, inflation had also become unmanageable and standard of living had fallen while the World Bank and IMF still argued that SAP has resulted in strong economic growth and increased social spending in many countries, the reverse was the case in Nigeria. The scenario created was that the poor were becoming poorer with greatest rapidity since SAP began biting hard, with its over emphasis on open free market forces which continued to aggravate rather than alleviate social crisis. The social and economic reforms of the military regimes in the second military intervention in the Nigerian government based on World Bank and IMF facilities and policies cannot be said to have been successful as anticipated.[27]

Former President Goodluck Jonathan's Transformation Agenda, 2011-2015 had agriculture as one of its areas of focus. This was made evident in the launch of the Agriculture Transformation Action Plan (ATAP) on 14 March, 2012. ATAP was targeted at increasing agricultural production efficiency and productivity along the value-added chains of 12 selected key commodities; namely, cotton, cocoa, cassava, oil palm, maize, soya bean, onion, rice, livestock, fisheries, tomato and sorghum. Addressing a conference in Geneva, Switzerland, President Jonathan projected that his agricultural policy and program was predicated at adding 20 million tons of food to domestic supply and create at least 3.5 million new jobs in agriculture and allied occupations by 2015.[28] A close examination of ATAP would suggest that not much was novel about it. In fact, there appeared to manifest a lot in common between ATAP and the defunct NAFPP of 1972. For instance, the target crops of ATAP is identical with the target crops of NAFPP. So far, the food insecurity situation of the country continues to worsen with the passage of time.

Nigeria has a dwindling international trade revenue, stemming from rising imports and declining exports; a seemingly recalcitrant oil theft and the rising global technological advancement in resort to cheaper and cleaner alternative energy sources. According to the National Bureau of Statistics, during the first quarter of 2013, the country recorded a N2.08 million drop in total trade from N7.185 trillion in the last quarter of 2012, to N5.098 trillion in the period under review.[29] As a direct fallout of running the country as an import-dependent economy, the immediate past Central Bank Governor, Mallam Sanusi Lamido Sanusi, pointed out that such has resulted in balancing the budget through borrowing from Excess Crude Account at 13 per cent to 14 per cent, thereby increasing the budget deficit, which is highly detrimental to the nation.[30]

With the CBN as the main supplier of foreign currencies, attempting to meet the voracious demands of buyers from banks to Bureau de change, importers of tangibles and intangibles, and from portfolio investors seeking to take their gains offshore, the result is that the Nigeria`s foreign exchange market is imperfect which was the major reason why the country has become the grave yard of many failed economic programs.[31] The cumulative effects of all these is that Nigeria and Nigerians have become horribly poor, the most public facilities (roads, electricity, water installations, public administration, etc.) are not working or have perished, that most Nigerian youths are unemployed and hopeless.[32]Today, even under the present administration of President Mohammadu Buhari, import of food continues to take a heavy toll on the foreign reserves of the country.

Challenges to Agricultural Growth and Development in Post-Civil War Nigeria

Some commentators have blamed the plight of the agricultural sector on inadequate funding or budgetary allocation and out-model traditional cultivation system and tools. This is only partial truth: the problem is more complicated than mere increase in budgetary allocation.[33] It may be recalled that post-independence Nigeria economy was under external control of the multi-national companies, which included the United African Coy (UAC), Campagne Francaise de l` Quest Afrique Occidentale (CFAO), John Holt and co, Societe Commerciale de l` Quest Africain (SCAO). These giant British and French firms adapted themselves to the changes in the control of political powers in the country. They shifted their interest to domestic manufacturing, food processing among others, and quite aware of the need to adapt to the nationalist terms in post-independence, they sought to identify themselves with the new rulers. These foreign firms often encouraged corruption and bribery among the powers that be and this often undermined onset government of the country and led to decision of government being taken according to personal rather than public interest.[34]

Nevertheless, the indigenization exercise of the military regime was perceived as a step in the right direction aimed at correcting the foreign control of the economy, though but it did not lead to equitable distribution of businesses among the population, rather to a concentration of all the businesses in the hands of a few industrial barons and others who acted as fronts for the multi-national companies. Even the oil boom did not change that aspect of external control of the economy. In fact, one could conclude that Nigerian oil boom consisted of only the export of crude oil and the rentals paid by the oil companies to the government hence the country was denied the added value of manufacturing and subsidiaries of the oil industry. The greatest dividend Nigeria got from the industry was the oil revenue which played an important role in the conflict that led to the Civil war, in that the federal government largely depended on it as its domestic and foreign reserve.

The economy therefore continued to be dependent and to rely on foreign capital for development, since the post-colonial state and its leaders, the military successors and the recent democratic leaders left most aspects of the economy including the oil, banking, export and the limited manufacturing sectors to be dominated by foreign owned companies operated through Nigerian representatives. The investment programmes were in fact not truly absorbable, nor could they be maintained, since they were further complicated by cyclical vagaries in oil exports, with resultant difficulties: overheating of the economy, waste, alarming levels of corruption, severe balance of payments disequilibria, greater embedding of the economy within the realms of uncertainty, and like deleterious factors.[35]

This shift from agricultural production to petroleum as sole earner of foreign exchange was a major cause of economic decline in Nigeria during the Second Republic. One major consequence of petroleum boom from 1973-74 was the neglect of agricultural production which affected both exports and domestic consumption including food. Agriculture was left for the aged and the illiterate peasants in most areas of the country, while those who had obtained the neo colonial context of Nigerian educational system particularly the youth drifted to the urban areas. Thus Nigeria became a one commodity exporting country with all the hazards associated with that phenomenon. Oil revenues came in large volume and was recycled in such a way that deepened dependence and under development of Nigeria economy. It is little wonder then that the national economy was experiencing increased dependence on food imports.[36]

The pre-dominance of oil as foreign exchange earner also led to massive food importation and import of other items specially to meet the needs of the country. With the neglect of agriculture and drift away from the rural areas there was food problems as the country was more and more unable to feed the teaming population. The Nigerian government ventured towards tackling this problem by embarking on a massive food import policy all over the world. The bulk of the imported goods included rice, meat, cereal and sugar among others which were hitherto produced in the country prior to the oil boom of the 1970s. By 1977, food import alone amounted up to 15 percent of the country's budget and by the middle of 1978, Lagos port alone was doing 97 percent of its business as import and only 3 percent as export.[37]

This process of over importation of goods and capital goods led to national de-industrialization as emphasis shifted from production to importation amounting to the importation of all importable. Another consequence of the oil boom was that government was enabled to undertake a lot of construction work which were often contracted out to western contracting firms. Even local contractors who were given jobs were known to have re-awarded them to foreign contractors. For example, over 90 percent of the Nigeria National Petroleum Company (NNPC), oil pipe lines and depots system which cost the country over five billion naira were contracted out to foreign construction firms mainly Japanese and Americans resulting in over inflated value which increased the corruption among those in power.[38] The country was often running at deficit. Another means of expenditure of a petro naira was in the form of dynamic foreign policy which the country executed through soft loans, joint ventures with neighboring countries, donations and grants and all sorts of projects.

The massive importation, award of contract and the white elephant projects among others involved the country in corruption and waste particularly in the area of over inflated contracts, increase in food and capital good import to mention but a few. All these contributed in depleting the country's foreign exchange reserve and led to the demand for international and internal loans to pay up budget deficits. The way the petroleum revenue was spent also rapidly accelerated the inflation, economically crippling congestion of the ports and widespread shortages of essential commodities in the late 1970s.

Restructuring Agriculture for Effective Diversification of the Nigeria Economy

Nigeria has vast amounts of arable land that can be utilized to cultivate not only palm oil, but also cotton, tomatoes and rice. Supporting growth in the agricultural sector is critical in the efforts to wean the nation from its reliance on proceeds from crude oil.[39] There are many varieties of rice grown in Nigeria. Some of these are considered traditional varieties, others have been introduced within the last twenty years.

Rice consumption in Nigeria had risen by the late 1970's and early 1980's to the level rice became a staple food in the country.[40] For instance, in the early 1970's the Ada rice mill was set up in Adani, Nsukka Division. The Asian rice variety 79 (O. Safiva) which was first introduced into the division in 1942 from the British Guiama, became the only variety of rice produced in the region. The area consequently became famous for producing what was known in local parlance as "Adarice".[41] These rice seedlings were cultivated in small saucer shaped swamps and in low-lying area bordering small drainage ways, as wet or paddy rice. Indigenous rice growing technology was employed and often involved land and nursery preparations, transplanting, weeding, bird scaring, harvesting, and threshing/winnowing.[42]

Most farmers produce one rice crop each year, but some have made irrigation channel which allow them to reap two or even three harvest in the year. The cost of importation of rice annually was increasing. The agricultural programmes such as the Green Revolution was expected to solve the problem of high import bill by locally inducing rapid rice production in the country. But government intervention in business activities had often been wasteful, diversionary and a way of corrupting enriching party officials. Despite the huge investment made towards self-sufficiency in rice production, the scarcity of the staple crop continued unabated.[43]

Nigeria is Currently the largest rice producing country in Africa.[44] This is as a result of conscientious efforts by the current administration to place more emphasis on agrarian production. key emphasis was placed on improving rice production, given the considerable weight importation of rice had on Nigeria's import bill.[45] The Nigeria government is trying to boost its agriculture industry in several ways through Government grants, Loans offered at cheap interest rates to farmers, Grants and technology given by non-profits, and Funding from foreign agencies such as the World Bank Production constraints.

Despite the fact that rice is cultivated almost all the round corner of the ecological zones of Nigeria, yet its sustainability to mankind still remains small. In 2000, out of about 25 million hectares of land cultivated to various food crops, about 6.37% was allocated to rice production.[46] Thus, increased production over the last two decades could be attributed to the ban imposed on the imports in 1985. Nigeria is currently the largest rice producing country in Africa. This is as a result of conscientious efforts by the current administration to place more emphasis on agrarian production. This focus has enabled increased production of rice in the country, which has led to net savings of $800 million in our import bill as a result of drastic declines in rice importation.[47] With the available literature, annual rice production in Nigeria has increased from 5.5 million tons in 2015 to 5.8 million tons in 2017. In 2018, Nigerians spent not less than 1 billion naira on rice consumption, adding that while spending had drastically reduced, consumption had increased because of increased local production of the commodity. The increase was as a result of the Central Bank of Nigeria CBN Anchor Borrowers Program with a total of 12million rice producers and 4 million hectares of FADAMA rice land. A key emphasis was placed on improving rice production, given the considerable weight importation of rice had on Nigeria's import bill. This focus has enabled increased production of rice in the country, which has led to net savings of $800 million in our import bill as a result of drastic declines in rice importation.[48]

The statistics of rice production in Nigeria clearly shows that the country needs 7 million metric tons of its demand. However, rice production in Nigeria keeps growing, but it will not be enough to supply the domestic demand of the whole country in the next several years. Production constraints include also low nitrogen-use efficiency and iron-toxicity, disease and pest pressure (especially birds), and low mechanization. Socio-economic constraints include lack of involvement of farmers in the planning and implementation of irrigation schemes, lack of access to inputs (including credits) and a loss of labor and an aging farming population because of migration to cities. In the light of this, the paper recommends that both private and public sectors should intensify more efforts towards domestic rice production just to meet the demand of the citizens.

In addition to rice production, the potential benefit of improved seed to crop productivity and food security is enormous as seed contributes over 50% productivity gain to farming when compared to other agricultural inputs.[49] Quality seeds of any preferred varieties are the basis for improved agricultural productivity. In fact, no agricultural practice, e.g. fertilization, application of herbicides, insecticides, water irrigation or agronomic practices can perform better than the limit set by quality improved seed. In addition, production increases brought about by the use of high quality seed and adapted varieties enhances farmers' income and food security. Under the National Accelerated Food Production Programme (NAFPP) programme which was conceived under the third National Development Plan and launched in 1972, selected farmers were used as a vehicle for producing and multiplying improved seeds for under distribution to other farmers.[50]

In addition, an organized seed programme in Nigeria was put in place in 1975 through FAO (Food and Agricultural Organization)/ TCP which culminated in the establishment of National seed service (NSS) as a specialized unit of the Federal Department of Agriculture (FDA) to oversee the development of the emerging National Seed Programme. The seed programme was farther strengthened through three phases of FAO Technical Assistance from

1975-1990 and a World Bank Assisted National Seed and Quarantine Project (NSOP) from 1991-1997.[51]

Despite the fact that about 33.70 million hectares of land is suitable for arable crops cultivation in Nigeria, only 5,476,040 hectares (16%) is cropped to certified seeds of 9 selected arable crops of (Rice 1,471,700 Ha, Maize (2,906,400 Ha), Cowpea (2,500 Ha), millet(19,600Ha), Cotton (695,450 Ha), Groundnut (3,450 Ha) and Sesame (12,000 Ha).[52] Improved quality seed is not only the economical and basic unit of increasing yield but also fundamental in raising the efficiency of other inputs like fertilizers and agro-chemicals. For instance, improved maize variety has the capacity to improve yields, income and productivity of farmers.

Farmers need to key into the use of quality seeds to avoid recording loss during harvest. It is important that farmers shun the use of poor seeds, they should get them from certified vendors as that will assure them of good produce. Farmers should buy quality seeds from recognized seed merchants so that they will not only grow for business but also consume in the household. Conducive macro policy environment, improved access to finance, a developed and implemented regulatory framework, timely release of seeds varieties, as well as improved human capital for market development are required.

Considering Nigeria's peculiar circumstances and the successes recorded in the first republic, before the advent of oil, for Nigeria to restructure and break loose from the problems inherent in a mono-economy, especially one largely dominated by oil, which is subject to depletion, international price shocks and unfavorable quota arrangement, there is need for diversification. During the first Republic, agriculture enjoyed some measure of good health as it accounted for 63% of the GDP and 75% of the total export value.[53] Nigeria was largely still self-reliant with regard to her primary domestic food staples. Building on measures implemented by the fiscal and monetary authorities towards addressing the constraints of farmers will be critical in order to dive sustainable growth of Nigerian economy and reduce our reliance on proceeds from the sale of crude oil.[54]

Conclusion and Recommendations

Agriculture is one of the key sectors that could provide unrivalled opportunities for Nigeria's accelerated growth. It shares linkage with virtually all the sectors of the economy with proven multiplier effect on the economy. It remains Nigeria's surest most strategic and competitive way to restructure in order to stimulate rapid industrialization and future economic development. It creates employment more than any other sector of the economy, earns foreign exchange, provides food and food security, provides raw materials for plants and industries. It is the basis of the Nigeria economy, and even the source of the much celebrated oil (science of oil formation). Restructuring the agricultural sector is suggested as possible options for diversifying the Nigerian economy.

External reliance for agricultural transformation should be discontinued while the innovations for agricultural growth and development should be deep rooted in Nigeria. This sector must not be sustained by foreign control, innovation and technology. Therefore, pragmatic and sturdy means to restructure the economy should be through Nigerian control and innovation. The dividends of technological and scientific discoveries and inventions in the area of agriculture should be allowed to trickle down to the peasant farmer, the true backbone of the agricultural sector. Mechanized farming and improved variety seeds will greatly increase earnings from cash crops and other food crops such as rice. Restructuring the economy is a need to focus on an array of products and resources; a policy generally referred to as diversification. This nation's dependence on oil as the source of 80% of its revenue is suicidal. The perennial weakness of the Nigerian economy is a factor of the operation of a mono-economy. And when China and the other buyers of oil find alternatives to crude oil as they will in the next twenty years, Nigeria's economy may suffer an irreversible collapse. [55]

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