

The Role of Agriculture in Economic Development in Nigeria

Uche C. C. Nwogwugwu, Ebele Nwokoye, Victor A. Osai,

Department of Economics, Faculty of Social Sciences, Nnamdi Azikiwe University,
Awka, Anambra State, Nigeria.

Email of corresponding author: victor.osai@portharcourtpoly.edu.ng

Abstract

The paper re-visits the age old proposition that agricultural sector growth contributes to overall economic development of Nigeria. The study is borne out of the curiosity to examine the role agriculture plays in the development of a nation, whose agriculture is agrarian and remained largely traditional and concentrated in the hands of smallholders and pastoralists, who used crude rudimentary implements such as hoes, cutlasses, axe and sticks. The study limits itself to the important role of the agricultural sector in engendering sustainable development, despite its neglect which has resulted to the mass exodus of rural able bodied young men and women to the urban cities in search of non-existence white-collar jobs. The sector has been neglected to the extent that its contribution to the GDP has been dwindling since 1990s, inspite of the various ambitious intervention strategies and policies put in place to boost agriculture. Consequently, the barrier to the agricultural sector performances were identified and the necessary policy recommendations were proffered.

Keywords: Agriculture, Agricultural development, Smallholder, Economic growth, Development.

JEL Classification Codes: Q10, Q14, Q18

Introduction

Nigeria is a developing country, largely rural and an agrarian in nature. Farming is carried on by marginal farmers who employ traditional methods of farming. This implies that majority of people in Nigeria lived and worked in rural areas. Almost 75 percent are rurally based compared to less than 25 percent in urban areas (Yusuf, 2014). Despite this traditional approach, agricultural sector had, before the oil boom of 1970^s, contributed more than 60 percent to Nigeria's Gross Domestic Product (Ajuero, 2000). Moreover, Ajuero had stated that these subsistence farmers produced 70 percent of Nigeria's export and 95 percent of the country's food requirements in the 1960s. Thus, in an agrarian economy, agriculture is a hub of economic activities and a major source of growth for the national economy (Mohammed, 2016).

Again, Todaro and Smith (2009) observed that to a large extent, agriculture and rural development has come to be considered as the *sine qua non* of national development. Agriculture was the leading sector in the pre-oil boom era, contributing 63 and 54 percent to GDP in the 1950s and 1960s respectively Aigbokhan (2001) cited in Idisi, Ebukibara & Sunday (2019). It has been suggested that developing countries like Nigeria has comparative advantage over the other countries in the production of agricultural output than the industrialized countries, it is important to emphasize that there is need for such economy to focus its attention on the agriculture sector development so that it can spur development of the nation (Yusuf, 2014). This demonstrates that agricultural sector influences the economic growth process; increases the supply of food and fiber for domestic consumption, supply excess farm human resources to the industrial sector. Agricultural sector generates foreign exchange through exports, increasing domestic saving and rural purchasing power Pronyth et al (2001) cited in Oluwafemi, Adedokun, Ogunleye & Oladokun (2015).

According to Yusuf (2014) this is the only sector that provides ready –made means for country like Nigeria to facilitate industrial development because all the other sectors directly or indirectly depend on agriculture either for food to sustain their work forces or as crucial inputs in their production process. Meanwhile, the sector can do this by supplying relatively cheap food to the urban industrial sector to check inflationary tendency of workers' wages where inadequate food supply may lead to rising food prices that will result in industrial unrest as workers continue to demand for increase in wages to meet basic needs of life. Massive importation of food is not viable for any ambitious country for several reasons which might be political, economical and strategic reasons. From the analyses, it is seen that agriculture is the key driver for growth and development. In the assertion of Gunner Myrdal (1984), the battle for long term economic growth will be won or lost in the agricultural sector. The perception that the potential contribution of agricultural as one of the drivers of economic growth and development has been a subject of much controversy among

development economists. While some contend that agricultural development is a pre-condition for industrialization, others strongly disagree and argued for a different path. However, the agricultural sector being so productive with arguably massive potentials, prompts the motivation for this study to determine the role of agriculture in Nigeria economic development, using trend analysis in terms of a historical and current perspective and various descriptive methods. Therefore, the perspective of this paper is both backward-reflecting and forward-prospecting.

Conceptual Review

Agriculture is as old as history of man and serves as the life blood of the economy. This is premised on the fact that agriculture plays a major role in economic growth and development. As the provider of food, it is a cornerstone of human existence (Blandford, 2014). Agriculture is a way of life that involves production of animals, fisheries, crops, forest resources for the consumption of man and supplying the agro-allied product required by other sectors (Yusuf, 2014).

Conceptually, agriculture was a relative and heterogeneous concept due to its large coverage and dynamic in the field of science. Hence it was acknowledged that no definition can be dogmatically for everyone and for all purpose, Bareja (2014) cited in Mohammed, 2016. Be that as it may, Olabanji, Adebisi, Ese & Emmanuel, (2017) hinted that agriculture is the science or practice of farming, including cultivation of the soil for the growing of crops, the rearing of animals to provide food, and the preparation and marketing of agricultural and agro-allied products. Akinboye (2008) defined agriculture as the science of making use of land to raise plants and animals while Idisi et al (2019) reported that agriculture involves the cultivation of land, raising and rearing of animals, for the purpose of production of food for man, feed for animals and raw materials for industries. Thus, since Nigeria became independence, most government policies have been directed towards accelerating economic development with the ultimate aim of transforming the economy in to an industrialized one, as well as raising the welfare of the population. One of the sectors expected to act as a catalyst towards the realization of the goal is agriculture (Obiechina, 2007). The role includes product contribution, (Johnston & Miller, 1981). No doubt, it has continued to play a very important role in the economic development of the country.

Though, subsistence agriculture is practiced in this part of the world, it will not be an overstatement to say that it is the life –wire of the economies of developing countries (Yusuf, 2014). Thus, agricultural production in Nigeria is dominated by small-scale farms characterized by small, uneconomic and often fragmented holdings, the use of simple rudimentary agriculture equipment such as hoes, cutlasses, and axes etc which are crude in nature are usually used. These small scale farmers account for the overwhelming 80% of the labour force, 90% of the export and about 90 – 95% of Nigeria’s total food production.

Economic growth is the increase in the monetary value of goods and services produced in a country over a defined period of time usually a fiscal year. In the other hand, Alina Petronela (2012) reported that economic growth is obtained by an efficient use of the available resources and by increasing the capacity of production of a country. Economic growth facilitates the redistribution of income between population and society. While Idisi, Ebukiba and Sunday, (2019) refers to economic growth as the continuous increase in the national output or income of a country. It is the increase overtime of an economy’s capacity to produce goods and services needed to improve the wellbeing of the citizens in increasing numbers and diversity. In short, despite the criticism that the level and rate of growth does not always reflect the real level of a population’s living standards, economic growth still remains the primary measure of prosperity.

Thus, when the rate of economic growth is big, the production of goods and services rises and, consequently, unemployment rate decreases, the number of job opportunities rises as well as the population’s standard of life. But where an increase in economic growth is caused by more efficient use of inputs(i.e increased productivity of labour, physical capital, energy or materials) is referred to as intensive growth while Gross Domestic Product (GDP) growth caused only by increases in the amount of inputs available for use (i.e increased population, new territory) is called extensive growth. In all, economic growth remains a priority.

Development is conceived as a multidimensional process involving major changes in social structures, popular attitudes and national institutions, as well as the acceleration of economic growth, the reduction of inequality and the eradication of poverty. Thus, characterizing the role of agriculture in economic development have been classical themes in development economics (Michael and Stephen, 2001). More specifically for countries that want to industrialize, like Nigeria, agriculture is commonly the main source of resources that can be captured for investment in the emerging activities. Hence, successful industrialization requires a solution to the problems associated with the generation, transfer and use of an agricultural resource surplus (Yusuf, 2014). For instance, the history of England is a clear evidence that agricultural revolution preceded the industrial revolution. In U.S.A and Japan, also agricultural development has helped to a greater extent in the process of their industrialization. It is seen that increased agricultural output and productivity tends to contribute

substantially to an overall economic development of the country. It will be rational and appropriate to place greater emphasis on further development of the agricultural sector.

Agricultural Growth and Economic Development

Development economists in general and agricultural economists in particular have long focused on how agriculture can best contribute to overall economic growth and modernization. Many early analysts (Rosenstein – Roda, 1943; Lewis, 1954; Scitovsky, 1954; Hirschman, 1958; Jorgenson, 1961; Fei and Ranis, 1961) cited in Pingali, (2006) highlighted agriculture because of its abundance of resources and its ability to transfer surpluses to the more important industrial sector. The conventional approach to the roles of agriculture in development concentrated on agriculture's important market – mediated linkages: (i) providing labour for an urbanized industrial workforce; (ii) producing food for expanding populations with high incomes; (iii) supply savings for investment in industry; (iv) enlarging markets for industrial output; (v) providing export earnings to pay for imported capital goods; and (vi) producing primary materials for agro-processing industries, (Johnston and Mellor, 1961; Rams et al, 1990; Delgadi et al, 1994; Timmer, 2002.) cited in Pingali (2006).

There are good reasons for why these early approaches focused on agriculture's economic role as a one way path involving the flow of resources towards the industrial sector and urban centers. In agrarian societies with few trading opportunities, most resources are devoted to the provision of food. As national incomes rise, the demand for food increases much more slowly than other goods and services. As a result, value added from the farm household's own labour, land and capital, as a share of the gross value of agricultural output falls over time.

Rapid agricultural productivity growth is a pre-requisite for the market mediated linkages to be mutually beneficial. Productivity growth that resulted from agricultural research and development (R & D) has had an enormous impact on food security and poverty reduction (Hayami and Herdt, 1977; Pinstup-Anderson et al, 1976) cited in Pingali, (2006). If the sustained per capita income brings about the desirable social changes, and improve the functioning, capability of individuals, we will say there is economic development. Though, the increase in income per capita must have occurred before there can be development. However, the role of agriculture can best be appreciated by referring to the pact signed by 189 leaders in the world at Washington, tagged the millennium Development Goals and the sustainable Development Goals of 2012 at Rio de Janeiro. The first provision of this target is Reduce Hunger and Poverty. The recognition of the role that agriculture plays in the development of any country necessitates the decision to include the provision as the first core objective to be pursued by all the leaders in the world.

Agricultural Trends over the Past Decades

Nigeria seeks to become a leading economy in Africa and a major player in the world's economic and political affairs. To achieve this, we highlight how the agricultural sector has changed over the past decade and the best approach was to focus on the agricultural sector. By focusing on agricultural development, Nigeria can speed up its economic growth. According to Omorogiuwa, Zivkovic & Ademoh (2014) Nigeria has been well known for the significant amount of its exports (cash) crops like groundnuts, cocoa, cotton and palm produce. A formal arrangement was made to market these cash crops globally. These were known as marketing boards. These boards were given charge to handle the supply chain and logistics. It was a very well established system. The boards had become the main body as it helped fund the needs of the state significantly, through its system of revenue generation which proved to be very effective. The existence of the marketing boards acted as a chief incentive for key commodity producers in early 1950s. The Nigeria cocoa marketing board was the first board that was set up in 1947.

The other boards for cash (export) crops like groundnut, cotton and palm produce were established two years later. Besides the main purpose of procuring, grading, marketing arrangement and export of these cash crops, the board was also responsible for assisting the development of the Nigerian agricultural export industry for the benefit and prosperity of the producers (Ojowu & Mensah 1988). The boards were supervised by a central organisation called the Nigerian produce marketing company, with the main responsibility to oversee the sales of Nigerian produce on the world market. This led us to analysis the role of globalization and liberation with emphasis on Nigeria agricultural sector.

Globalization refers to the increasing integration of economies around the world, particularly through trade and financial flows. The term sometimes refers to the movement of people (labour) and knowledge (technology) across international borders. Liberalization in this paper refers to the policy reforms accompanied by privatization and domestic price reforms that specific countries have implemented (Swinnen & Maertens, 2006) cited in Praturaji, (2018). When a country liberalizes its economy and trade policies, it can participate more easily in the international economy. Thus, globalization and liberalization go hand in hand.

In the past, the state played an important role in shaping agricultural production and marketing in most developing countries like Nigeria. Governments were often heavily involved in agriculture marketing and food processing through the creation of parastatals (i.e. marketing boards, government-controlled cooperatives and

parastatal processing units). These parastatals constituted often monopolies, sole buyers of agricultural products, including basic food crops as well as important export crops. Important objectives of the parastatals were to obtain tax incomes for the government and in some cases also to gain political control. In the 1980s and the 1990s most of these systems of state intervention and control came under pressure to liberalise. In many countries, the process of liberalization and privatization was by no means smooth. The withdrawal of the state often led to a vacuum, the private sector that was expected to fill up that vacuum and improve service delivery (inputs, output marketing, credit, etc.), did not arise, or only slowly. The dismantling of state control led to the decline of input and credit supply to farms.

Also the liberalization of the investment regimes did induce foreign investments in agribusiness, food industry, and further down the chain, with major implications for farmers (Dries and Swinnen, 2004). Yet, the overall picture is quite patchy-some countries do well with foreign direct investment (FDI), others suffer from FDI while others are not able to attract FDI at all. Trade liberalization led to not only to an increasing volume of global agricultural trade, but also the structural of this trade changed considerably during the past decades. For instance, there has been an increase in the share of high-value products-mainly fish and fishery products, and fruits and vegetables in world agricultural trade. Especially developing countries like Nigeria experienced a sharp increase in such high-value exports while the importance of their traditional tropical export commodities-such as cocoa, cotton, groundnut, palm oil and kernel, cashew etc. has decreased, heightening scepticism in the role of agriculture. However, it is important to keep in mind that the traditional crops still play an importance role for many countries.

In 1960s Nigeria's main domestic product was agriculture. This sector provided the country with employment and foreign exchange earnings. The agriculture sector never went away, it was just over taken by the oil boom that began in the 1970s (NBS, 2012). Historically, the roots of the crises in the Nigerian economy lie in the neglect of agriculture and the increased dependence on a mono-cultural economy based on oil (Ogene, 2007).

Furthermore, Ukeje, (2012) reported that the performance of the agricultural sector during this period was also undermined by disincentives created by the macroeconomic environment.

Notable among these were.

- The overvaluation of the naira exchange rate and the sharp increase in foreign exchange earnings from oil revenues aided large food imports and also put agricultural exports at a disadvantage.
- The changing tastes arising from imports resulted in low demand for traditional crops.
- The increased wages in the public sector drained labour from the rural areas, thereby depriving the agricultural sector of the much needed manpower for its labour intensive activities.
- The protection of domestic industry through tariff industry, thus, shifting the terms of trade in favour of industry.
- Soil fertility is still declining in many areas, due to a lack of nutrients (minerals or organic) of which the availability is impeded by imperfect markets or lack of purchasing power.
- The impact of HIV/AIDS has an increasing impact on many rural areas where farming population live. AIDS is diminishing the agricultural labour force. AIDS also worsens the situation of the poor, killing the most productive members of the society and diverting scarce resources to medical care.
- Ukaye, (2003) submitted that in the 1960s agriculture contributed up to 64% of the total GDP, but gradually declined in the 1970s to 48% and it continues in 1980 to 20% and 19% in 1985 and crashed to less than 2% in the 1990s.

This abysmal performance of the agricultural sector made Meijerink and Roza, (2007) to argue that the past decade has been one of agro-pessimism. The promises that agricultural development seem to hold did not materialize. This pessimism seemed to coincide with pessimism about sub-Sahara Africa. For Nigeria the hope was that economic development would be brought about by agricultural development. After the success of the green revolution in Asia, the hope was that a similar agricultural miracle would transform Nigerian economy. But this hope never materialized, agricultural productivity did not increase.

The sceptics put forward several arguments why agriculture is no longer an engine of growth (Brooks, 2006). For instance, the liberalisation of the 1990's and the greater openness to trade has led to a reduction in the economic potential of the rural sector; the cheap imported Chinese plastic buckets, furniture, ceramic, plastic mugs and garments out compete the locally produced clay pot, arm-chairs, bamboo beds and Akwete materials as well as the Nigeria textiles. With rapid global technical changes and increasingly integrated markets, prices fall faster than yields rise, rural incomes fall despite increased productivity if they are net producers but if they are net consumers they will benefit from lower prices. The integration of rural with urban areas means that healthy young people move out of agriculture, leaving behind the old, the sick and the dependent. The natural resource base on which agriculture depends is poor and deteriorating. Productivity growth is therefore increasingly more difficult to achieve (Meijerink & Roza, 2007). Thus, the disappointment with agriculture led

many donor organizations to turn away from agriculture, looking instead to areas that would increase the well-being of poor people, such as health and education. Those organisations that still focused on agriculture, were put under pressure to focus more on reducing poverty, besides increasing agricultural productivity. However, Meierink and Roza, (2007) posited that since the beginning of the new century, there seems to be a renewed interest in agriculture. This is the departure point in which we passionately re-assesses the role of agriculture in economic development.

The Role of Agriculture in Economic Development in Nigeria

The agricultural sector is the engine and backbone of an economy which provides the basic ingredients to mankind and raw materials for industrialization. This explains that agriculture had been accorded immense recognition as a substratum of even today world's leading economies (Mohammed, 2016). Similarly, there is a growing realization that the traditional role of agriculture is too narrow. If we want to know what the role of agriculture is in economic development, we need to take a broader view of agriculture and recognize the numerous ways in which agriculture links up and plays an important role in other sectors of the economy (Praburaj, 2018). Therefore, the role of agriculture for the economic development of Nigeria are much more transformative and phenomenal.

a. A major contributor to the country's Gross Domestic Product (GDP)

Most direct contribution of agriculture to economic growth, according to Lrz, Lin, thirtle & wiggins (2001) cited in Odetola & Etumnu, (2011) is the capacity to increase income of farmers and therefore their purchasing power, Agriculture indeed has remained the major source of income to the economy. This is based on the argument that about 90 % of the rural population was involved in activities related to the crop sub-sector which provides the bulk of agricultural income (Oji-okoro, 2011). Therefore, agriculture is not only an important source of livelihood but contributes to economic growth by increasing the income of majority of the population, thereby strengthening their saving capacity. This implies that domestic savings largely influences the growth path of the economy.

b. Source of income for a large proportion of the population engaged in the sector.

Enhancing agricultural performance creates income to people, of which households has to save and spend more. This is in line with Hazell & Roell (1983) cited in Odetola & Etumnu, (2013) as they observed that in the early stages of development, rising income of rural/ farming households is essential to providing market for domestically produced goods and service via strengthening purchasing power. The living standard of rural masses rises and they start consuming a nutritious diet and enjoy a comfortable life by acquiring better house, motorcycle, radio, television and use of better cloths (Praburaj, 2018).

c. Provision of adequate food for the people.

Agriculture is the essential source of food supply for all countries, whether they are underdeveloped, developing or industrialised world Murad & Boz (2018). The implication is that agriculture contributes significantly to national food self-sufficiency by accounting for 80% of the total food consumption requirements; it helps to maintain a healthy and peaceful population and a source of food nutrition for households (Oji-Okoro, 2011). Also, as observed by Timmer (1995), cited in Odetola & Etumnu, (2013) the agricultural sector contributes to economic growth through provision of global caloric intake and food availability. The attainment of global food security and reduction of hunger hinges on this singular role. Therefore, due to the heavy pressure of population in under developed and developing countries and its rapid increase, the demand for food is increasing at a fast rate and any growth rate of agricultural sector that did not exceed population growth rate of 2.5 to 3.00 percent is considered insignificant if not disastrous, as it would lead to starvation or food insecurity. Consequently, if agriculture fails to meet the rising demand for food products, it is found to affect adversely the growth rate of the economy. Raising supply of food by the agricultural sector has, therefore, great importance for the economic growth of a country (Praburj, 2018).

d. Provision of employment opportunities for the teaming population.

Agriculture has been the main source of gainful employment of which nations can feed its teaming population. The agricultural sector remains the leading employment of vast majority of the Nigerian population as it employs two-third of the labour force. According to Olatunji (2002) cited in Oji-Okoro (2011) observed that in Nigeria today, farming still remains the source of employment of majority of the adult population, its productivity is the most important single factor influencing the standard of living of both the rural and urban centers. However, Anyanwu et al, (1997) posited that more than 80% of the rural population of Nigeria are engaged in one type of agricultural activity or the other.

e. Supply of raw materials required by the industrial sector.

In most developing countries like Nigeria, agricultural sector remains the largest contributor providing inputs, food, employment opportunities, and raw materials for industries. This signify that agricultural advancement is necessary for improving the supply of raw materials for the agro-based industries especially in developing countries. The shortage of agricultural goods has its impact upon an industrial production and a consequent

increase in the general price level (Praburaj, 2018). In addition, the agro-industrial enterprises depends on the sector for raw materials whilst 88% of non-oil export earnings come from the sector. For instance, the flour mills, rice Sheller's, bread, meat, milk products, oil mills, sugar factories, tyres, textile mills and numerous other industries are based on agricultural products.

f. A major foreign exchange earner through export.

In Nigeria, agricultural sector has contributed largely to the nation's foreign exchange earnings. That is, agriculture earns foreign exchange for the economy through the export of its output. Agriculture was the largest contributor to the foreign exchange earnings before the emergence and dominance by crude oil from 1970^s. In the other hand, agricultural export played an important role in economic development projects. Ekpo & Egwaikhide, (1994) cited in Oji-Okoro (2011) observed that Nigeria agricultural export has enlarged to include cocoa, beans and palm kernel while Olayide & Essange (1976) reported that Nigeria export earnings from major agricultural crops contributed significantly to the Gross Domestic Product (GDP). Thus, the accrual from the exports serves as a core source of revenue generation for government. According to Igoniya & Unemhilin (2011), agriculture is the largest contributor to non-oil foreign exchange earnings. This means that agriculture holds abundant potential for enhancing and sustaining the country's foreign exchange. Thus, the agricultural sector is vital to economic development of any nation because an increase in the exports earning is more desirable because of the greater strains on the foreign exchange situation needed for the financing of imports of basic and essential capital goods.

g. Contributes to the finances of Government.

According to Kuznets (1964) reported that one of the crucial problems of modern economic growth was how to extract from the product of agriculture a surplus for the financing of capital formation necessary for industrial growth; without at the same time blighting the growth of agriculture. Availability to industry of a surplus of agricultural resources effectively transferred is only a necessary condition, not a sufficient one. Industrialization strategies that make effective use of this surplus still have to be devised and implemented, and this has occurred highly unevenly across countries, with many countries taxing their agriculture of a surplus without industrializing successfully (Yusuf, 2014). For instance, the regional governments in Nigeria derived much of their development finances from agriculture. Between 1954 and 1957, ₦144 million or 40% of the marketing board's surplus were disbursed as grants to regional governments, and another ₦24 million as loans to regional government. Furthermore, between 1962 and 1966, 13% and 34% of the regional government finances depended on marketing boards surpluses (Adubi, 2001). The role of marketing boards was very important especially in stabilizing farm incomes and generating funds for the execution of development projects in the economy. Equally, agriculture was the major source of funds for implementing the first national development plan, 1962-1968. Finally, the boards continued this role until 1986, when the government introduced the structural adjustment programme (SAP), (Obiechina, (2007). The lessons drawn from the economic history of many advanced countries inform us that agricultural prosperity contributed considerably to fostering economic advancement. It is correctly observed that the leading industrialized countries of today were once predominantly agricultural.

h. Contributes to reduce hunger and poverty.

To further showcase the pivotal role agricultural sector plays in the Nigerian economy, sertoglu,Ugural, and Bekun, (2017) reported that the agricultural sector was part of the millennium development Goals (MDGs) program of poverty reduction in Nigeria. This shows that agriculture has good potential and high influence for reducing poverty and creating jobs both on and off the farm (Muradi and Boz, 2018). Therefore, agriculture has a strong hold in an economy for without it a country will always depend on foreign countries to feed its population.

i. Provision of market.

According to Money-Emina (2007), agriculture and industry are linked as markets. Agriculture is a major market for output of industrial goods. For instance, considering the fact that industry must sell its products to contribute and grow the economy, the agricultural sector provides the market. Also, the industrial sector helps to promote the development of a country's tertiary sector. This is an addition to the fact that the industrial sector constitutes a market for agriculture. This sectorial growth increases the income and therefore purchasing power of farmers resulting in vibrant domestic market for other sectors, hence growth in the economy (Odetola & Etumnu, 2013). As reported by Singh in Praburaj, (2018) increase in agricultural production and the rise in the per-capita income of the rural community, together with the industrialization and urbanization, lead to increased demand in industrial production. In this way, the agricultural sector helps promote economic growth by serving as a supplement to the industrial sector.

j. Releases labour to the manufacturing sector.

Agricultural sector has the capacity of making surplus labour available to industries. As productivity in the agricultural sector increases, surplus labour and capital is created and diverted to investment in the industrial sector resulting in economic growth Ike (1982) cited in Odetola and Etumnu, (2013). This facilitates the industrialization process and eventually the transformation of the economy as postulated by the structural

development advocates (Awokuse, 2008). In this case, the diversion of labour from agricultural sector to the non-agricultural sector is more important for economic development as it eases the burden of the surplus labour force over the crowded land. Thus, the release of surplus manpower from the agricultural sector is necessary for the progress of the agricultural sector and for expanding the non-agricultural sector (Praburaj, 2018).

k. Help to minimize inequality between rural and urban areas.

In a developing country which is predominantly agricultural and over populated, there is greater inequality of income between the rural and urban areas. To reduce this discrepancy of inequality of income, it is necessary to accord higher priority to agriculture. The prosperity of agriculture would raise the income of the majority of the rural population and thus the disparity in income may be reduced to a certain extent (Praburaj, 2018).

l. Linkages between agriculture and the rest of the economy.

Linkages are defined as the ability to develop productive relationships through the exchange of information and resources. Backward linkages indicate the interconnection of a sector to those sectors from which it purchases inputs (e.g seed, fertilizer, labour); while forward linkages indicate the kind of interconnection of a sector to those sectors to which it sells output (e.g staple food crops, cash-crops). In their observation on linkages between agriculture and the rest of the economy, the department for international development (DFID) (2005); policy paper Growth and poverty reduction: the role of agriculture. Cited in Praburaj (2018) identifies a major role for agriculture in development through the linkages of the agricultural sector with the non-agricultural sector. According to them agricultural growth can lead to strong multiplier effects in the non-farm economy.

Conclusion/Recommendations

Agriculture has actually demonstrated that the long-term economic growth will be won or lost in the agricultural sector. It will be won in the agricultural sector because it is the primary driver of the economy and wealth generation of the nation. By its nature and structure, the agricultural sector has the highest scope not only to contribute substantially to an overall economic development but for reducing poverty and inequality, even though it has the highest incidence of poverty among the sectors.

Therefore, it will be rational and appropriate to place greater emphasis on further development of the agricultural sector by recommending;

- a. Massive investment in critical infrastructure such as roads, pipe borne water, health care, education, silos, electricity etc. that will improve agricultural productivity.
- b. Provide adequate budgetary allocation to agricultural sector and ensure interest free loan to the peasant farmers dwelling in the rural areas.
- c. Reduce corrupt practices among policy makers should and government must muster strong political will to implement and effectively supervise functional agricultural strategic policies.

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