

Farmers' Assessment of Government Input Policy for Effective Agricultural Enterprises in Oyo State

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Abstract: Problems of peasant agriculture are manifested through inconsistent agricultural policies that should have leveraged the situation; this particularly hinders the supply of extension services, farm credit, and other vital inputs to farmers. Agricultural policies in Nigeria, among other development policies, are often pursued on ad-hoc basis and in most uncoordinated manner. The study was conceived to assess agricultural input policy implementation in Oyo State. It hopes to identify the operational characteristics of the farmers, identify the felt need of the farmers and ascertain the relevance of the policy choices to the beneficiaries. The study was carried out in Oyo State. A multistage sampling procedure was used to select the farmer-respondents. The state was stratified on the basis of its three senatorial districts; three Local Governments areas were purposively selected in each of the three (3) senatorial districts on the basis of their spatial location; and 36 farmers were selected from the ADP's lists of the selected local government areas. Descriptive statistics such as frequencies and percentages were used to describe the data while Chi-square and t-test were used to pursue the hypotheses of the study.

Regarding the policies expected by the farmers, out of the listed input policy items, 64% indicated seeds/planting stock assistance, agro-chemicals (71%), fertilisers (67.8%), credit facilities (74.4%), farm machinery (73.2%), marketing assistance (67.5%), and storage facilities (77.3%) as the areas in which government policy interventions are required. Others such as extension service (33.8%), cash crop promotion (41.6%), food crop promotion (42.6%), livestock/poultry promotion (41.3%), fishery promotion (32.5%), mini-livestock promotion (40.1%) and rural development agenda (47.9%) were not considered as important areas in which government policy interventions are required by the majority of the respondents. There is significant relationship between the farmers in their choices of input assistance indicated. The results of test of relevance of policies implemented revealed significant difference, in most of the policy items, between the expected assistance and those received by the respondents from the governments. Those items that do not differ significantly (livestock/poultry promotion, fishery promotion, and mini-livestock promotion) are those that the respondents do not consider necessary for their enterprises.

The study established that the expectations of the policy beneficiaries are not met at all, which is an indication of serious policy gap hampering agricultural development. The benefit obtained by the beneficiaries are not spectacular for real agricultural development. Strategies to make agricultural policies to be demand-driven should be in-built into agricultural policy process.

Keywords: Agricultural enterprises, input policy, small-scale farmers

INTRODUCTION

More than 70% of the poor people in Africa live in rural regions, with most engaged in resource-dependent activities such as small-scale farming, livestock production, fishing, hunting, artisan mining, and logging. This small-scale production accounts for a significant percentage of the GDP of many African nations (World Resources Institute (WRI), 2005). According to Forum for Agricultural research in Africa FARA (2006), Sub-Saharan Africa (SSA) stands out as the only region where overall poverty and food insecurity continue to worsen. If the current trend continues, it is projected that 39.3% of the population will remain below the poverty line by 2015, when millennium development goal targets should have been achieved. Agriculture has a crucial role in stemming and reversing this trend.

Agriculture remains the main stay of the Nigerian economy, employing about 70 to 80% of the population, as is the case with most sub-Saharan African countries. Nigeria's economy is essentially agrarian but this does not mean that the country is agriculturally advanced. Peasant farming characterises agricultural practices; farm families engage in subsistence farming in which their needs determine the scale of production and wherein small plots of land are cultivated by individual owners or sub-owners following age-old methods which leaves them without much control on the yields. Family labour is mostly in use, which might be augmented with minor hiring of labour and labour exchanges with other farmers at peak. This system does not often make adequate use of modern farming techniques, capital input, advisory services and market

information. Their technique and technology of production is not modern and involves a lot of drudgery, there is also the problem of lack of adequate infrastructure facilities in the rural areas, the duo of which serve as serious disincentive for youth involvement in agricultural practices.

Aggregate agricultural production declined up to early 1980 during the oil boom era, leading to a sharp decline in per capita real GDP in agriculture. By 1985, the index per capita real GDP of agriculture was 35% points lower than 1970 (FOS, 1999). Agriculture's GDP contribution, in the country, averaged N34,950.00 million between 1980 and 1985, and improved during the 1986 and 1996, moving from N40,500.00 million in 1986 to N59,389.00 million in 1996 (Arokoyo, 2003). The fact that the agricultural growth rate was lower than the population growth rate is the main concern regarding the performance of the sector. There has been corresponding sharp increase in the proportion of the country's food import bill, from 8.2% in 1989 to 20.5% in 1997 (Akin, 2000). The trend does not signify a good economic performance to the country. The President expressed concern on the situation thus "the current huge bill being incurred on food importation, is a potent threat to the economic and political stability of the country" (Guardian July 5, 2002).

Small-scale agriculture mainly takes care of the food needs of the farm families and produces little surplus for sale. Not less than 95% of Nigerian farmers are involved in peasant agriculture, while other categories of farmers employed on corporate and government

supported large-scale farms account for only 5% (IPC, 2006). The fact is that agricultural production is predominantly in the hands of a multitude of small-scale farmers who are largely unorganised and scattered throughout the country (Manyong *et al*, 2005). They are confronted by a mammoth of problem depicted by lack of enabling environment for effective and profitable enterprises. These problems are manifested through inconsistent agricultural policies that should have leveraged their situation; this particularly hinders the supply of extension services, farm credit, and other vital inputs to farmers. Agricultural policies in Nigeria, among other development policies, are often pursued on ad-hoc basis and in most uncoordinated manner (Ademilokun-Turton, 1992). This forms the basis of the under-development of the agricultural sector in the country. Idachaba (2000) conceptualised the problem as “policy gap” which is explained as the gap between the ‘best-practice policies’ and the actual policies pursued. He further lends credence to the need to probe the policy environment as the principal constraint to agricultural policy itself.

The problems of the agricultural sector are numerous; these challenges diminish its capacity to play its role effectively. These problems, according to FARA (2006), include the following:

- i. Low internal effective demand due to poverty;
- ii. Unfavourable external markets: African commodities face severe competition from subsidised farm products of industrialised countries;

- iii. Institutional weaknesses for service provision to the agricultural value chain from pre-production to consumption;
- iv. Limited access to science and technology and low human capacity to generate and adopt knowledge intensive skills;
- v. Weak policy and regulatory mechanisms that do not adequately support participation of local communities and private sector in decision-making concerning the agricultural sector.
- vi. Poor rural infrastructure (transportation, markets, storage, energy, credit, water management), which increases transaction costs and reduces competitiveness of products;
- vii. Climatic risks.

Given the foregoing, the following research questions are stated to be answered by the study.

- i. What are the operational characteristics of the farmers?
- ii. What are the expectations of the farmers regarding government policy interventions in their enterprises?
- iii. To what extents are the policies implemented relevant to the expectation of the farmers?

Objectives of the Study

The general objective of the study is to assess the agricultural input policy as it affects the agricultural practices of the farmers. The specific objectives of the study are to:

- a. ascertain the operational characteristics of the farmers

- b. determine the expectations of the farmers regarding policy interventions in their enterprises, and
- c. ascertain the relevance of the agricultural policies that have been implemented

METHODOLOGY

Area of Study – Oyo State, one of the 36 states in the country, is the area of study of this project. It covers a total of 27,249 square kilometres of landmass. It has three (3) senatorial districts and thirty-three (33) local government areas, these are; Afijio, Akinyele, Egbeda, Ibadan North, Ibadan North-East, Ibadan North-West, Ibadan South-East, Ibadan South-West, Ibarapa, Iddo, Saki-West, Ifelaju, Irepo, Iseyin, Kajola, Lagelu, Ogbomoso North, Ogbomoso South, Oyo West, Atiba, Atisbo, Saki East, Itesiwaju, Iwajowa, Ibarapa North, Iyamapo/Olorunsogo, Oluyole, Ogo-Oluwa, Surulere, Orelope, Orire, Oyo, and Ona-Ara.

Agriculture is the main occupation of the people in the state. The climate favours the cultivation of crops like maize, yam, cassava, millet, rice, plantains, cocoa, palm produce, cashew among others. The state equally has an agricultural development project named Oyo State Agricultural Development Programme (OYSADEP) with headquarters at Saki. A

number of international and federal agricultural establishments are located in the state.

Sampling Procedure and Sample Size

– A multistage sampling procedure was used to select the respondents of the study. Oyo state was demarcated on senatorial district basis. Three Local Governments were purposively selected in each of the three (3) senatorial districts on the basis of their spatial location to make nine (9) LGAs. From the ADP's list of farmers in the selected local government areas, 36 farmers were randomly selected across board for interview to give a sample size of 324. This was done in order to avoid lopsidedness in numbers selected from the LGAs; because equal representation of the respondents is deemed important to the study.

Measurement and Operationalisation of the Variables

The variables of the study were measured, operationalised and statistically analysed as given in the Table of analysis of objective given below:

Analysis of Objectives of the Study

Objective	Respondent	Data Requirement	Statistical Analysis
Operational characteristics of the farmers.	Farmers	<ul style="list-style-type: none"> • Agricultural enterprise of the farmers • Scale of enterprises of farmers • Years of experience in their enterprises 	Descriptive statistics
Identify the felt needs of the farmers on which attentions are desired.	Farmers	<ul style="list-style-type: none"> • Areas in which government assistance are expected. 	Descriptive statistics Chi-square
Ascertain the relevance of the agricultural policies that have been implemented.	Farmers	<ul style="list-style-type: none"> • Indication of farmers' expectation of government's interventions. • Indication of what was rendered. 	t- test

RESULT DISCUSSION

Operational Characteristics of the Farmers

Table 1 shows the operational characteristics of the farmers. The result, in a multiple response format, shows that majority of the respondents (98.4%) were engaged in food crop production and 61.8% were involved in cash crop production. Equally, a sizeable proportion (38.8%) of the farmers were involved in farm produce marketing, 37.9% were involved in livestock production, 25.2% involved in poultry production and 24.0% are involved in mini-livestock production. Finally, the result shows that a meagre proportion (9.5%) is involved in fishery enterprise. The pattern of distribution of the scale of the farm of the respondents revealed that 36.9% of them have between <1 and 4 acres, 34.7% have between 5 and 10 acres of farmland while others 10.7%, 2.8% and 0.6% of 11 – 20 acres, 21 – 30 acres and 31 – 40 acres respectively. There were no responses from 14.2% of the respondents to this variable. This finding generally confirms the position of some authors (WRI, 2005; Arokoyo, 2003; Manyong *et al*, 2005) that majority of the Nigerian farmers are small-scale farmers given the proportion that are involved in food crop

production. This study also established that most of the farmers are involved in more than one agricultural enterprise, albeit at varying degrees. In terms of the years of experience in their respective agricultural enterprises, 17.4% of the respondents had between 1 and 10 years, 25.9% have between 11 and 20 years, and 32.5% had between 21 and 30 years. Others, 12.9% and 3.5% have 31 – 50 years and 51 – 70 years respectively. A proportion of 7.9% of them did not respond to this variable.

Table 1. Distribution of the Respondents by their Operational Characteristics

Operational Characteristics	Frequency	Percentage
Agricultural Enterprises*		
Food crop	312	98.4
Cash Crop	196	61.8
Livestock	120	37.9
Poultry	80	25.2
Fishery	30	9.5
Mini-livestock	76	24.0
Produce marketing	123	38.8
Farm size		
<1 – 4 acres	117	36.9
5 – 10 acres	110	34.7
11 – 20 acres	34	10.7
21 – 30 acres	9	2.8
31 – 40 acres	2	0.6
No response	45	14.2

Years of Experience

1 – 10 years	55	17.4
11 – 20 years	82	25.9
21 – 30 years	103	32.5
31 – 50 years	41	12.9
51 – 70 years	11	3.5
No response	25	7.9
Total	317	100.0

* Multiple Responses

Source: Field Survey, 2006

Felt needs of the farmers on which attentions are desired

As shown in the Table 2, out of the listed input policy items, majority of the farmers indicated seeds/planting stock assistance (64%), agro-chemicals (71%), fertilisers (67.8%), credit facilities (74.4%), farm machinery (73.2%), marketing assistance (67.5%), and storage facilities (77.3%) as the areas in which government policy interventions are required. Others such as extension service (33.8%), cash crop promotion (41.6%), food crop promotion (42.6%), livestock/poultry promotion (41.3%), fishery promotion (32.5%), mini-livestock promotion (40.1%) and rural development agenda (47.9%) were not considered as areas in which government policy interventions are required by the majority of the respondents.

The distribution is not unexpected based on the fact that the input items on which the majority indicated interest are the regular inputs for their farming activities while others are not of direct relevance to them. Extension service was not considered as an important input; this might be because they have always had access to it. Given the fact that the respondents are ADP contact farmers, they have not experienced farming activities the services to have adequately

appreciated its place as an important input to their enterprises.

Table 2: Distribution of the Respondents by their Expected Assistance from Government Policies

Nature of Assistance Expected	Yes	No
Seeds/planting stock	203 (64.0)φ*	113 (35.6)
Agro-chemicals	225 (71.0)	91 (28.7)
Fertilisers	215 (67.8)	101 (31.9)
Credit facilities	236 (74.4)	80 (25.2)
Farm machinery	232 (73.2)	84 (26.5)
Extension service	107 (33.8)	209 (65.9)
Marketing assistance	214 (67.5)	102 (32.2)
Storage facilities assistance	245 (77.3)	71 (22.4)
Export assistance	187 (59.0)	129 (40.7)
Cash crop promotion	132 (41.6)	184 (58.0)
Food crop promotion	135 (42.6)	181 (57.1)
Livestock and poultry promotion	131 (41.3)	185 (58.4)
Fisheries promotion	103 (32.5)	213 (67.2)
Mini-livestock promotion	127 (40.1)	189 (59.6)
Rural development agenda	152 (47.9)	164 (51.7)

* Figures in parentheses are percentages

φ Percentages do not add up to 100 because of missing responses

Source: Field Survey (2006)

Given the fact that the responses to the variable was obtained in a dichotomous format, Chi-square analysis was used to probe further whether there is significant relationship among the respondents in their choices of input policy items requiring government's intervention. The result of the analysis in Table 3 shows that there is significant relationship among the respondents in their choices of agricultural input items on which they expect government policy intervention except on rural development agenda (p=0.500). The lack of relationship in their

choice of rural development agenda among them can be explained by the fact that it is of distant relevance to the farmers and they are not able to link its relevance to their enterprises.

This finding means that the farmer-respondents are mostly unanimous in what they are expecting / requesting from the government in terms of input policy intervention for their agricultural enterprises development; but the fact is that those desires have been unattainable. This might be as a result of lack of beneficiaries' voice to have effectively press home their demands to the policy makers and implementers. The implication of this revelation is that "the potential gainers from the (correct) implementation of declared policy are not organised or organisable" (Idachaba, 1994).

Table 3. Chi-Square Analysis of the Respondents' Choices of Expected Assistance from the Government

Nature of Input Assistance Expected	Chi-square value	df	p	Remark
Seeds/planting stock	25.633	1	0.000	Significant
Agro-chemicals	56.823	1	0.000	Significant
Fertilisers	41.127	1	0.000	Significant
Credit facilities	77.013	1	0.000	Significant
Farm machinery	69.316	1	0.000	Significant
Extension service	32.924	1	0.000	Significant
Marketing assistance	39.696	1	0.000	Significant
Storage facilities assistance	95.810	1	0.000	Significant
Export assistance	10.646	1	0.001	Significant
Cash crop promotion	8.557	1	0.003	Significant
Food crop promotion	6.696	1	0.010	Significant

Livestock and poultry promotion	9.228	1	0.002	Significant
Fisheries promotion	38.291	1	0.000	Significant
Mini-livestock promotion	12.165	1	0.000	Significant
Rural development agenda	0.456	1	0.500	Not Significant

Source: Field Survey (2006)

Relevance of the agricultural policies that have been implemented

The farmers were asked to indicate, from a list of input policy items, the policies that have been implemented to their advantage. The aim is to establish whether there is significant difference or deviation between the expected assistance and the assistance obtained; and hence the relevance of the implemented policy items to the farmers.

The paired sample t-test was employed to test for difference between the responses of the farmers to each of the input items. The assistance expected and those obtained have been measured with dichotomous responses. The result of the analysis, as given in Table 4, revealed significant difference between most the expected assistance and those obtained by the respondents; Input supplies – seeds/planting stock (t=2.885, p=0.004), Input supplies – agro-chemicals (t=7.297, p=0.000), Input supplies – fertilisers (t=5.179, p=0.000), Credit facilities (t=9.384, p=0.000), Farm machinery (t=8.922, p=0.000) and Extension service (t=-13.586, p=0.000). The result of the other input items are Marketing assistance (t=13.331, p=0.000), Storage facilities assistance (t=27.715, p=0.000), Export assistance (t=19.522, p=0.000), Cash

crop promotion (t=2.046, p=0.000), Food crop promotion (t=1.023, p=0.307), Livestock and poultry promotion (t=1.016, p=0.311), Fisheries promotion (t=0.367, p=0.714), Mini-livestock promotion (t=5.210, p=0.000) and Rural development agenda (t=2.648, p=0.000).

This shows that those items that do not differ significantly are food crop promotion, livestock/poultry promotion and fishery promotion, which are part of the items majority of the respondents do not even consider necessary for their enterprises as shown in Table 2 above.

This means that those items that are required are not obtained and those obtained are not required. The items that are not significant are those that are not required by the majority and are not obtained by the majority. The implication of this is that the policy items that have been implemented, as assistance through policy interventions, did not meet the expectations of the respondents. Hence, the analysis indicates a lack of relevance of the policies implemented to the farmer-respondents. This revelation established and confirms the concept of 'policy gap' from the perspective of the farmers, which is a serious constraint to agricultural policy process (Idachaba, 2000).

Table 4. T – test Analysis between Expected Assistance and those gotten from the Government by the Respondents

Pair of Assistance Expected / Rendered	T value	df	P	Remark
Seeds/planting stock	2.885	309	0.004	Significant
Agro-chemicals	7.297	309	0.000	Significant
Fertilisers	5.179	309	0.000	Significant

Credit facilities	9.384	309	0.000	Significant
Farm machinery	8.922	309	0.000	Significant
Extension service	-	309	0.000	Significant
Marketing assistance	13.586	309	0.000	Significant
Storage facilities	13.331	309	0.000	Significant
assistance	27.715	309	0.000	Significant
Export assistance	19.522	309	0.000	Significant
Cash crop promotion	2.046	309	0.042	Significant
Food crop promotion	1.023	309	0.307	Not Significant
Livestock and poultry promotion	1.016	309	0.311	Not Significant
Fisheries promotion	0.367	309	0.714	Not Significant
Mini-livestock promotion	5.210	309	0.000	Significant
Rural development agenda	2.648	309	0.000	Significant

Source: Field Survey (2006)

Summary of the Findings

Most of the farmers are involved in food crop production and are engaged in multiple agricultural production enterprises. Most of them equally have small farmland holdings of between <1 and 4 acres.

On the felt need of farmers, majority of the farmers indicated seeds/planting stock assistance, agro-chemicals, fertilisers, credit facilities, farm machinery, marketing assistance, and storage facilities as the areas in which government policy interventions are required. The areas that are not indicated are extension service, cash crop promotion, food crop promotion, livestock/poultry promotion, fishery promotion, mini-livestock promotion and rural development agenda were not considered as

areas in which government policy interventions are required by the majority of the respondents. A Chi-square analysis of their responses showed that they differ significantly in their choices of areas they expected policy interventions from the government.

To ascertain the relevance of policies that have been implemented vis-à-vis the expectations of the farmers, t-test analysis showed that only three policy items met the expectations of the farmers, which are livestock/poultry promotion, fishery promotion, and mini-livestock promotion. These policy items however happen to be those that were not considered necessary for their enterprises. This means that the agreement with their expectation, in those instances, is because they were not expected and they were not provided.

CONCLUSIONS

The study established that most of the farmers are small-scale holders and are mostly involved in food crop production enterprises. It equally revealed that they are usually involved in multiple agricultural production enterprises.

The study found that the respondents are unanimous in their expectations from the agricultural policies of the government. The lack of attainment of the desires may be due to lack of voice to press their demands.

The expectations of the respondents in terms of policy intervention were not met at all. The reason for this may not be too distant from lack of voice to actualise the interests of the farmers. Lack of fulfilment of the beneficiaries' objectives by the input policies is an indication of serious policy gap on the part of the farmers

and hence a serious implication for agricultural development in the country.

RECOMMENDATIONS

Based on the findings of the study, the following recommendations are made;

- i. Policy interventions for agricultural development should focus on the small-scale food crop farmers because they constitute the majority of agricultural production practitioners in the country.
- ii. Agricultural input policy interventions should be made farmer-oriented in order to have desired result from such efforts.
- iii. There is the need for agricultural research and development stakeholders to make conscious efforts at organising the farmers so as to make them more relevant for involvement in agricultural policy process in the country.

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