

Full Length Research Paper

Addressing Corruption Practices in Agricultural Sector to Make Agriculture Demand-driven in Nigeria

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Agriculture is one aspect of Nigeria's economy that should not be neglected or even marginalised. Not only that agriculture is the major source of food for people and livestock, it also provides earnings to farmers and raw materials for industries as well as providing over sixty-five percent employment to the teeming population of Nigerians. In spite of all these advantages over other professions such as law, medicine, engineering and others, yet, people in Nigeria still express phobia for agriculture as an enterprise. Corruption in agricultural sector is an impediment which, when fought and eliminated will make agriculture demand-driven in Nigeria. This paper therefore takes a cursory look at some aspects of corrupt practices in agricultural sector and their attendants' effects on agricultural productions. It concludes among other suggestions that to fight and eliminate corruption in agricultural sector and achieve the implementations of the Nigerian agricultural transformation agenda (ATA) as well as make agriculture demand-driven in Nigeria, those actors who perpetuate the nefarious acts of corruption in the sector should be reprimanded by the law and made to face the penalties.

Keywords: Corruption practices, Demand-Driven and Agriculture.

INTRODUCTION

In recent years, many countries of the world especially the developing countries have reaffirmed the essential roles that agriculture plays in the development of their rural areas. This renewed interest is linked to the rediscovery of the role that agriculture needs to play in the reduction of persistent rural poverty (World Bank, 1997). Yet negative experiences with agriculture in the past have sparked considerable debate in Nigeria about the best way to transform the agricultural sector of the nation. It is based on this notion that the federal government under the immediate past chief executive of the nation, President Goodluck Jonathan introduced the Nigerian Agricultural Transformation Agenda (ATA) support programme.

The objectives of the ATA programme includes among others to increase on a sustainable basis the income of small holder farmers and rural entrepreneurs that are engaged in the production, processing, storage and marketing of the selected commodity value chains (ATASP-1, 2013). It should be realized that when these

objectives are actualized, the importance of agriculture in a developing economy becomes obvious to both children and adults in Nigeria making agriculture demand-driven.

The advantages of agriculture over the other disciplines such as law, medicine, engineering and others is quite enormous and should not be overemphasized. Not only that agriculture is the major source of food for people and livestock which is the major basic source of live sustenance, it also provides earnings to farmers and raw materials for industries – another source of rural and national development. It also provides over sixty-five percent employment to the teeming population of Nigerians.

Agriculture is the most important sector of the economy in Nigeria from the standpoint of rural employment, sufficiency in food and fibre and export earning prior to the discovering of oil. This ascertain is based on the fact that as at independence in 1960, little was known about petroleum as a source of revenue for

the Nigerian economy. There was sustainable emphasis on agriculture to the extent that Nigeria was a major exporter of such agricultural products as palm produce, cocoa, groundnut, cotton and rubber. In addition to these cash crops, the national agricultural system was able to produce enough of food crops like yam, cassava, maize, millet, sorghum and soya beans, to the extent that there was almost no need for food importation. However, with the advent of petroleum in the early 1970's petroleum became the country's major foreign exchange earner and agriculture became grossly neglected (Nchuchuwe and Adejuwon, 2012).

It has become pertinent in Nigeria that agriculture should be demand-driven to enable the nation retress its steps from where it has fallen. Despite agriculture accounting for 70 percent of the labour force, over 25 percent of G.DP and 20 percent of agribusiness in most countries of the world, Nigeria inclusive, it continues to be given low priority. Agriculture also has a high multipliers effects, which means that agricultural investment can generate high economic and social returns and enhance economic diversification as well as social development. (Bawa and Ani, 2010)

Studies by Nchuchuwe and Adejuwon (2012) opines that corruption and sharp practices in agricultural sector pose a lot of challenges to making agriculture demand-driven.

The objective of this paper however, is about fighting and eliminating corruption in the agricultural sector so as to greatly assist in forming perspectives about the innovative interventions of the Federal Ministry of Agriculture and Rural Development (FMARD) on transparency innovations, proactive and problem solving initiatives that would change the face of agriculture in Nigeria tremendously and make it demand-driven in the next couple of years (ATASP-1).

It is based on this notion that this paper takes a cursory look at some aspects of corruption in agricultural sector and their attendant effects on making agriculture demand-driven. The paper specifically addressed the;

- Concept of demand-driven agriculture
- Paradigm and dimension of corruption in agriculture
- Effects of corruption on agricultural production and services
- Agricultural Transformation Agenda Programmes

Concept of demand-driven agriculture

The term demand-driven refers to the economic concept of supply and demand. In economic theory, demand refers to the amount of goods or services that a consumer is willing and able to buy at a given price. Demand also means the desire or need of customers for goods or services which they want to buy or use (Anderson and Birner, 2007).

Therefore, the concept of demand-driven agriculture in this paper is for the general public in Nigeria to have the desire or see the need to pursue agriculture as an enterprise seeing that agriculture is all encompassing. Agriculture has enormous advantages over other disciplines. People in Nigeria should realize that agriculture is the most important sector of the economy in Nigeria. It generates employment, sufficiency in food security, export earning and creating sustainable rural development. It has become pertinent to the Nigerians that agriculture should be prioritized rather than neglected hence the Agricultural Transformation Agenda Programme (ATA) which was flagged off by the immediate past President, Dr. Goodluck Jonathan. The aim was to reinforce and enhance partnerships with the private sector to provide mechanization services to all Nigerian farmers.

If this sole objective of the ATA is fully implemented and corruption seriously fought and eliminated in the sector, agriculture would be demand-driven in Nigeria.

Paradigm and dimensions of corruption in Agricultural sector

Corruption is an age-long phenomenon that has been a challenge to every development plan for ages. The present food insecurity in Nigeria is blamed on corruption due mainly to the failed policies in agricultural products and agriculture as a whole, and the manipulations of strategies by political office holders for personal financial gains. Corruption has been ubiquitous in diverse and complex societies. It was present in the ancient times. It is believed to be endemic in modern government and it is not peculiar to any continent, region or ethnic group, but this does not mean that the incidence of corruption is the same in every society Bawa *et al.*, (2010).

Corruption in agricultural production poses problems for small land holders in Nigeria in the following ways;

• Land Title and Use

Problems with land ownership, registration, tenure and sales impede agricultural development. Multiple titles exist on many parcels of land and the right of family members, especially women and children are not defined. Also, registration of land is often a slow complex and costly process which is vulnerable to bribes offered or demanded. Informal properties with no official documentation as to "who owns" or "who occupies" the land are common.

• Credit Availability

Corruption occurs in the allocation of government-subsidized credits because government officials know that credit must be available for the agricultural sector to flourish in any developing country. Most typical corruption is the unnecessary fees and percentage

payments which are the ways that government officials garner money when granting credits.

- **Supplies**

Corruption is very common in government contracts or licenses for agricultural supplies. Poor quality, undelivered goods and high prices are various outcomes from collusion between government officials and private sectors. Imagine a government agency buying fertilizers from a private sector company at an elevated price and receiving a share of the profit. This increases the cost of agricultural production and eliminates competition in the fertilizer industry as other firms may have little or no chance of getting the government contract.

- **Water Allocation**

Irrigated agriculture is a favorite of bureaucratic and centralized governments and promotes “rent seeking”. Rent seeking is described as lobbying superior regulatory bodies to garner financial income not matches by labour or investment. Rent seekers use political soliciting, including bribery as a means to get water or facilities to regions favoring them. The allocation of water and irrigation them turns into connections and corruption rather than on economic and development policy. To address this issue, farmers should be involved in monitoring and regulating financial responsibilities in a given community.

- **Product Standards and Certification**

Product standards and certification constitute another source of corruption. Individual producers attempt to bribe produce inspectors to get the desired certification. The development of quality improvement centres in rural communities has helped support objective grading of products by pooling produce for inspection and eliminating the opportunity for individual producers to offer bribes.

- **Marketing**

Agriculture marketing boards create opportunities for corruption in the country. These parastatal boards provide a marketing avenue for producers, but often deliver smaller profit to farmers than a competitive market would provide because of embezzlement or because the boards hold down food costs to consumers. Many underpaid civil servants compromise their integrity and solicit bribes in return for favours which may be involving purchasing inputs or selling agricultural produce.

- **Agribusiness**

Private sector agribusinesses are necessary for supplying inputs, processing food, transporting and marketing of agricultural products, yet corruption impedes agribusiness development. This is to say that the licencing and permits for transportation, storage, processing and business startup are sources of corruption. Another dimension of corrupt practices could arise from poor reward system of government organs and agencies to their workers. In the agricultural sector,

some other petty corruptions abound which combine to create impediments to making agriculture demand-driven.

In Nigeria, researchers in the employment of the government are not adequately and regularly paid. This informs the reason for the upsurge of corrupt behaviours in the country. For instance the extension officers are lowly paid by the government.

Corruption which is a social malady could largely be influenced by cultural dictates and value systems of the society (Dike *et al.*, 2010). Corruption is mainly unavailable in a society where morality is relaxed and many people especially rural farmers struggle for survival without any assistance from the government. The influence or pressure of polygamous households and extended family systems in Nigeria and pressure to meet family obligations are parts of the causes of corruption. According to Centre for Democracy and Governance (1999) as quoted in (Dike, 2010), many factors can predispose groups or societies to disregard formal rules and due processes and embrace corruption.

In the context of poverty or conflict, allegiance to personal loyalties such as one's family, ethnic group, religion or socio-economic identity outweighs allegiance to objective rules.

Nigeria Agricultural Transformation Agenda Support Programme

The Agricultural Transformation Agenda (ATA) is a programme initiated by the government of the immediate past president, Goodluck Jonathan. The programme is aimed at forming perspectives about the innovative interventions of the Federal Ministry of Agriculture and Rural Development (FMARD) on transparency innovation, proactive and problem solving initiatives that would change the face of agriculture in Nigeria. The ATA has a plan for the mechanization of agriculture which aims at enhancing partnership with the private sector to provide mechanization services to all farmers in Nigeria.

The main objectives of the ATA is to increase, on a sustainable basis, the income of small holder farmers and rural entrepreneurs that are engaged in the production, processing, storage and marketing of the selected commodity value chains. ATA has a great potential in enhancing the role of agriculture as an engine of inclusive growth leading to rural employment, wealth creation and diversification of the economy. (ATASP-A)

<file:///floorcontroller/mydocuments/Nigeria.ATA>. When all these have been achieved, it is expected that agriculture would become demand-driven in the face of other professions in Nigeria.

The programme will provide improved production, processing and marketing infrastructure necessary for

selected commodity value chains. It will rehabilitate water conveyance structures necessary for irrigation; train value chain actors in technical and managerial skills; provide extension services to producers and processors; facilitate and improve key access through semi urban and urban cities passing through markets. The programme will enhance employment of youth and women by providing access to improved productive resources (including credit) and practical skills and increase the number of persons who engage in agriculture value chain.

Effects of Corruption on Agricultural Production and Services

Agricultural practices require funding especially in input delivery services. The farm inputs such as fertilizer and seeds supply services had been in the hands of the federal government undermining the private sector and never delivered to genuine farmers had hindered the sustainable production of crops and has consistently led to shortage of food in the country.

Poor logistic support for farmers is another area where corruption could be identified. In a situation where enough budgetary provisions are made on papers, radios and televisions, but only a meager amount is practically made available to support agriculture. This situation makes agricultural production and services difficult.

Leaving tax exemptions, subsidies, public procurement of goods and services, soft credits under the hands and control of the politicians has made it open for corruption to exist. This has led to embezzlement and misappropriation of funds meant for agriculture which led to the neglect that agricultural sector is suffering today.

Agriculture is expected to be subjected to monitoring and evaluation to know what is happening to farmers with regards to programme inputs and output. This will give the agricultural management the indications as to the areas that require urgent and timely attentions. The fact remains that in most cases these activities are not actually done. Sometimes the extension staff who are trusted with these responsibilities sit down in their offices and conjure up unbelievable reports that may not have any bearing to the true situation. This type of attitude does not help the growth of agriculture (Fink, 2002).

CONCLUSION AND RECOMMENDATIONS

Agricultural production certainly occupies a prominent position in the Nigerian economy that is aimed at alleviating poverty. This can only be achieved when the productive forces are adequately equipped with modern techniques and skills. If agriculture is aimed at

becoming demand-driven, the following strategies could be of help; more equitable distribution of land and other rural resources in order to give greater opportunities to the poorest segment of the rural population to meet their basic needs; organization of rural producers and rural economies activities on cooperative or commercial basis in order to ensure a further re-utilization of available physical and human resources; An active policy of social services and the improvement of social relations, political and administrative capacity for the planning and aid in the implementation of Agricultural Transformation Agenda (ATA) programmes to provide linkages with the rest of the economy and protect the legitimate interest of the citizens in Nigeria, (Oladipo, 2008).

The government of Nigeria over the years has formulated good agricultural policies meant to encourage food production but such policies have been found inefficient and ineffective due to corrupt tendencies of the actors, making the intended results of the policies not realizable.

Also, to meet the millennium development goals of cutting hunger and poverty, agricultural growth must be put back on top of the development agenda and be made demand-driven. Agriculture should also be made compulsory in the curricula of primary and secondary schools in Nigeria just like English and Mathematics.

The dynamic changes influencing agricultural production and diversification require a thorough re-analysis by the agricultural transformation agenda programme to develop better ways of support tomorrow's agriculture and make it demand-driven.

It is also the view of this paper that attempts to transform agriculture and make it demand-driven should address such challenges as low investment and productivity, poor infrastructure in the rural areas, lack of funding for agricultural research, inadequate use of yield-enhancing technologies, weak linkages between agricultural and other sectors, unfavourable policy and regulatory environments, climate change, lack of awareness to the effect of corruption on agriculture, lack of transparency and accountability of the agricultural and government officials.

Finally, significant achievements can be made in making agriculture demand-driven by creating a favourable economic environment and investing in the "Prime-movers" of agricultural development; human capital, agricultural research, biophysical capital formation and very importantly, exposing those government officials and farmers who perpetrate the act of corruption in agricultural sector and make them to face the law as well as receive the penalties accordingly. When all these suggestions are implemented, corruption could have been eliminated and agriculture made demand-driven in Nigeria.

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