Chapter 3

Rural Development in Nigeria: Foundations of Sustainable Economic Development

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I. INTRODUCTION:

This paper is on the role of rural development in Nigeria's economic recovery programme. Section II presents background review of recent trends in the Nigerian economy, including new evidence from the important survey on rural infrastructures in Nigeria. Section III briefly sketches the role of rural infrastructures and rural development in the Nigerian economy while Section IV identifies some basic issues that must be addressed if rural development is to form a foundation for sustained economic recovery, together with recommendations. The paper is concluded in Section V.

II. RECENT TRENDS

Recent performance of Nigerian agriculture has not been impressive. Agricultural GDP in real terms declined at an annual rate of 0.4 percent during 1960–70 (1960 base year) and at an annual rate of 1.1 percent during 1970–1980 (1970 base year), while other sectors grew at impressive rates (See Table 1)[1] Agriculture's share of GDP in real terms has fallen dramatically in the last fifteen years.

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1. Federal Office of Statistics, Lagos.

Table 1: Growth Rates of Selected Sectors of the Nigerian Economy in Real Terms, 1973/74–1980/81

	Growth Rates (%) in:							
77–	1973/ 74– 74/75	19746 75– 75/76	1975/ 76– 76/77	1976/ 78– 77/78	1977/ 78– 78/79	1978/ 79– 79/80	1979/ 80	1980/ 81
1. Agriculture	10.5	–10.5	0.0	6.0	8.0	–2.0	–1.0	–3.0
2. Crude Petroleum	25.0	–22.0	19.0	1.0	9.0	16.0	–8.0	–13.0
3. Wholesale and Retail Trade	7.0	14.0	7.0	11.0	8.0	11.0	0.0	0.0
4. Building and Construction	0.0	0.0	33.0	17.0	4.0	3.0	10.0	5.0
5. Manufacturing	–3.0	23.0	24.0	7.0	14.0	7.0	18.0	12.0

Source:- *Nigerian Gross Domestic Product and Allied Macro-Aggregato (1973/74–81), Vol. 1 No. 1, April 1982, Federal Office of Statistics, Lagos.*

The fall in the relative contributions of agriculture to the national economy partly reflects the phenomenal growth of the petroleum sector and partly reflects the stagnation and decline of the agricultural sector. In exports, Nigeria has gone from an exporter of palm oil, cotton, groundnuts and maize, to being a massive net importer of these same commodities and other food items like rice, sugar and wheat (See Table 2). But what has caused the decline? Reasons for the decline include:

(i) failure of the national agricultural research system to generate new mechanical, chemical and biological technologies that are high yielding and resistant to environmental stress (pests, diseases and weather) and which are not only technically efficient but economically profitable.
(ii) failure of the agricultural extension system to extend the new technologies that are now on the shelf.
(iii) bad pricing policies that have maintained a regime of over-valued exchange rates which have artificially cheapened food and farm input imports and thereby discouraged production of export crops and import substitutes, as well as distorted the utilization of those resources in whch the country is well endowed.
(iv) monetary and fiscal policies that have fuelled domestic inflation and worsened the domestic terms of trade against the agricultural sector.
(v) inconsistent policies both with respect to the programme content of domestic policies as well as frequent unpredictable changes in import policy, all of which create great incertainties and send confusing price signals to farmers and potential investors in Nigeria's rural sector.
(vi) a negative philosophical view of the role of agriculture in the nation's macro development planning strategy which tended to see the rural sector and agriculture as sources of supluses wich must feed the nation's industrialization led development strategy.
(vii) a bewildering array of institutional ambiguities resulting from extensive overlapping and duplication both at the federal, state and local government levels, reflecting an unsatisfactory definition not only of the proper role of government in economic activity but also in agricultural production and distribution and rural development.
(viii) an affliction of the "Dutch disease" by which unexpected petroleum windfalls created an environment in which the country could afford to neglect the traditionally important agricultural and rural sector.
(ix) failures in policy, especially policy implementation, which have constituted a perennial limiting factor to the growth of agriculture and the

Table 2: Effects of Income Windfalls on Selected Food Imports, 1974—76

(Tonnes)

	PRE-UDOJI SALARY AWARDS & ARREARS				POST-UDOJI SALARY AWARDS & ARREARS			
ITEM	**1972**	**1973**	**1974**	**1975**	**1976**	**1977**	**1978**	**1979**
A. Cereals								
Wheat	11630	108847.180	318269	407309	733133	719665	878853	804845.5
Rice	232	26615	4805	6652	45377	413272	563848	567899
Maize	374	722	2440	2211	9861	36813	46975	40480
B. Meat								
Fresh Chilled or Frozen	548	17	445	3710	13764	22326	31781	2124
Milk	3056	62708	67299	85924	99540	148463	132012	118652
Butter & Cheese	30	570	862	1532	2341	2344	14402	1374
C. Sea Foods								
Frosh and Simply preserved	181	4560.8	6641	17291	3770	31256	4425.3	17615.8
Canned or prepared	282	8167	8060	22706	47760	63825	110818	50683

Source: Federal Office of Statistics, *Nigeria Trade Summary* (Various issues).

rural sector.

(x) a failure to recognize the linkages between rural and agricultural development and between rural development and the development of the national economy, and

(xi) a chronic failure to provide rural infrastructures to structurally transform rural Nigeria.

The constraints of the agricultural research system include poor staffing and funding both in terms of gross inadequacy and in terms of gross instability characterised by high staff turnover and wild, undesirable and unpredictable fluctuations in funding of research institutes.[1] Other problems include superficial understanding on the part of researchers on why farmers do what they do; for example, the repeated rejection by farmers of research recommendations predicted on monocropping, the repeated refusal by cotton farmers in the northern cotton belt to plant cotton by the end of June latest, etc, as well as frequent changes in institutional arrangements for managing agricultural research (See Table 3). To this list must be added the problem of the identity crisis of the civil servant-scientist in our research institutes, that curious hybrid of the civil servant and the scientist who ends up with the worst of both worlds both in terms of service conditions and career aspirations.

Agricultural extension workers are ill-motivated, demoralized and overstreched, lacking in infrastructural support (vehicles) and travelling allowances. Farmer-extension worker and land area-extension worker ratios remain high. National coverage of states with ADPs is expected to radically revitalize and resuscitate the extension services across the country soon.

The maintenance of an overvalued exchange rate particularly harms agriculture, the most vulnerable sector. Successive regimes have retained the overvalued exchange rate because it is a form of hidden subsidies for urban consumers whose per capita consumption of cheap food imports exceeds rural per capita consumption of same (e.g; rice, sugar, wheat, milk, etc). Overvalued exchange rates have created several paradoxes: largescale importation of artificially cheap farm machinery to substitute for labour in a country that now has serious unemployment problems; huge imports of rice and

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1. See Idachaba, F.S. *Agricultural Research Policy in Nigeria*, Research Report 17, International Food Policy Research Institute, Washington DC, August 1980, 70 pages; Idachaba, F.S. "Agricultural Research Staff Instability: Evidence on Nigerian Experience" *Nigerian Journal of Agricultural* Sciences, Vol. 3 No. 1, January 1981, pp. 71–81.

Table 3: Frequent Changes in Institutional Arrangements for Managing Agricultural Research in Nigeria 1964 — 1985

	Law 1985 Decree	Year	Provision	Remarks
1.	Nigerian Research Institutes Act.	1964	Established Cocoa Research Insiturte of Nigeria; Nigerian Institute for Oil Palm Research, Rubber Institute of Nigeria and Nigerian Institute for Trypanosomiasis Research.	Following dissolution of West African Research Organization in 1962.
2.	Nigerian Council for Science and Techno-logy Decree.	1970	Umbrella Organization to coordinate research grouped into physical sciences, agriculture, medicine.	
3.	Agricultural Research Council of Nigeria. Decree (ARCN Decree).	1971	Established ARCN to coordinate all agricul-research.	
4.	Agricultural Research Institute Decree.	1973	Vested Power to establish institutes to conduct re-search and training in any field of agriculture, vete-rinary sciences, fisheries, forestry, agro-meteorology and water resources in Federal Commissioner for Agriculture; also power to take over any existing state research station.	Watershed in State/Federal funding of agricul tural research. Destroyed all in-stitute for States to fund agricul-tural research.
	Research Institutes (Establishment) Order.	1975	Established 14 research insti-tutes: NCRI, NRCI, NIHORT, CRIN, RRIN' NIFOR, FRIN, NVRI, NAPRI, NITR,	Clear commodity mandate for each institute.

Table 3 Contd.

	Law 1985 Decree	Year	Provision	Remarks
6.	national Science and National Science and Technology Development Agency Decree.	1977	Set up an executive agency to co-ordinate all research in Nigeria, agricultural and nonagricultural. All researct institute established by the 1975 decree were brought under the aegis of the NSTDA.	Repealed the decree but still vested powers to take control of any existing. federal or state research establishment in NSTDA Commissioner. Placed "individual and agricultural research" on the concurrent list.
7.	Constitution of the Federal Republi of Nigeria.	1979		
8.	Federal Ministry of Science & Technology Act.	1979	Scrapped the NSTDA, Created the Federal Ministry of Science and Technology.	
9.	Federal Ministry of Education Science and Technology Decree.	1984	Scrapped the Federal Ministry of Science and Technology and merged it with Federal Ministry of Education.	Military suspended Constitution.
10.	Federal Ministry of Science and Technology Decree.	1985	Created separate Federal Ministry of Science and Technology.	

maize (until October 1 1985) in a country with rich agro-ecological potential for low cost production of these commodities, creating large disincentives for domestic production and trafficking (smuggling) in farm produce across Nigeria's international borders in search of foreign exchange, to mention a few. The overvalued exchange rate has bred corruption as it has created the false necessity for reliance on import licencing that has enriched a large class of unintended beneficiaries, those with access to the administrative machinery for issuing import licences.

Frequent changes in food and agricultural policy have two sources: one, changes that are directly the result of changes in political regime; and two, changes in policies which are the result of inadequate articulation and understandng of the rationale behind policies. Some policy changes resulting from changes in regime are necessary because they correct for policy distortions and improper sense of priorities of previous regimes. Other changes made by new regimes are of a cosmetic nature, meant to give a semblance that things have changed when in reality they have not. Previous regimes and their planners have regarded Nigeria's rural sector and agriculture as sources of surplus to feed the metropolitan economy with food and fibre during the colonial era, or to feed the urban economy and its political superstructure during the neo-colonialist phase. Any rural development that occured in the process was only an accidental (unintended) result as it was not the original intention of the urban political class.

The bewildering array of institutions dealing with rural and agricultural development is a necessary corollary of a "muddling" through strategy, one that gropes for partial solutions in the absence of a framework of development and almost always represents a set of panic responses to pressures of the moment.

That Nigeria was afflicted by a particulary virulent strain of the "Dutch disease" can now be clearly demonstrated. On the supply side, the unexpected windfalls from petroleum made possible cheap food imports, with food imports as a share of total volume of imports, jumping from 3.4 percent in 1977 to 15.2 percent in 1983. With cheap rice, maize, sugar, wheat and livestock imports, millenia was almost here and serious programming for agricultural development was relegated to the background. Patronaria supported the creation and operation of a large network of institutions purporting to develop the rural areas, with huge overheads for the payment of salaries of Managing Directors/General Managers and the management and maintenance of Boards of Directors, etc. By 1983, federal budget allocations supported 28 parastatals involved in direct agricultural production and distribution and 43 parastatals not involved in direct agricultural production (See Table 4)[1] Repeated awards were made for consultancies to study agriculture and the rural sector, with no real intention of implementing recommendations. At the state level, Ministries of Rural Development were created in many states and at the federal level, the Ministry of Agriculture and Rural Development (Table 6). The result was that highly centralized public bureaucracies were created for agriculture and rural development.

On the demand side, the abolition of marketing board taxes in 1974 and the modification of the revenue allocation formular which de-emphasized the principle of derivation meant that government no longer needed agriculture as a source of public revenue; consequently, the demand of the political leadership for virile sectoral growth also fell. At the federal level, the foreign exchange contribution of agriculture had been reduced to insignificance and the demand at the federal level for high sectoral performance also vanished. Initiatives at the federal level were of the sloganeering type (OFN, Green Revolution, etc) and the creation of yet more institutions. At the rural local community level, more lucrative urban job opportunities became available to rural dwellers, the terms of trade progressively worsened against agriculture and real rural incomes fell. Rural youth drifted to the urban areas in their thousands, leaving behind a farm labour forces mainly in the 40 – 50 year modal age group. An ageing farm labour force is less inclined to social mobilization and social articulation especially of the type required for liaising with and pressurizing government institutions and functionaries on rural development and agricultural issues. Also, for most of the last two decades, the country has been under the military with no overt political activity and therefore no opportunity for competing political parties to offer alternative political programmes for the farm sector[1], as was the case in 1957 – 59 in the old Western Region when the Action Group and NCNC competed with each other in the formulation of a cocoa pesticide subsidy programme in order to win farmers' votes in the regional and federal elections.[1]

The demand for better policies for the grassroots did not therefore materialize.

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1. This does not include 8 ADPs which had not taken off but received preparatory allocations.

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1. The "Dutch disease" and the profligacies of the last civilian regime prevented the political process from articulating the needs of the rural sector.

Table 4: The Distribution of Agricultural Parastatals that Received Federal Budget Allocations in 1983

Type of Federal Parastatal in Agriculture		No Receiving Federal Allocations in 1983
A.	Parastatals Involved in Direct Production and Distribution:	
1.	Commodity Boards	6
2.	Companies Involved in Direct Agricultural Production	11
3.	River Basin Development Authorities	11
B.	Parastatals not Involved in Direct Production:	
4.	Agricultural Credit and Input Supplies	4
5.	Agricultural Research Institutes	18
6.	Agricultural Development Projects+	13
7.	Miscellaneous	

+ Excludes ADPs which received preparatory allocations

Source: Complied from Capital and Recurrent Estimates of the Federal Republic of Nigeria, 1983, Federal Ministry of Information.

The neglect of agriculture in the face of risng population and income resulted in a steep rise in food and fibre prices. The failure of the agricultural sector to respond to the high prices must be traced to the structural bottlenecks of the rural sector, in particular the primitive state of rural infrastructures. Infrastructural bottlenecks have prevented the transmission of high urban food prices into high farmgate producer prices. (See Tables 5 – 9) on distribution of rural infrastructures).

III. THE ROLE OF RURAL DEVELOPMENT

Rural development is the process by which the well being of rural people is significantly uplifted, that is, a general upliftment in the quality of life of rural people. Several implications for policy analysis, formulation and implementation follow from this definition. These include:

the need for a thorough understanding of existng farming systems before the introduction of project – related changes including an understanding of production and other constraints and the rationale for why farmers do what they do and the transformation of physical achievements of projects into income earnings of rural residents to reduce rural poverty. Others include equality of access to new production technologies, resources and vital public institutions such as credit agencies and extension services to minimize project-related wealth and income inequalities, concommittant development of infrastructures such as roads, processing facilities and market information to rectify the unequal exchange relations and unfavourable terms of trade bet-

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1 In December 1958, there was a query from the opposition party (NCNC) on the floor of the Western Nigeria House of Assembly expressing concern over the plight of cocoa farmers in repaying their loans for pesticides and sprayers. In his reply, Chief A. O. Adeyi, Minister of Trade and Industry indicated that Government was formulating a comprehensive policy on the matter. This policy was unfolded two months later by Chief Akin Deko, Minister of Agriculture and Natural Resources in the House of Assembly in the form a subsidy scheme for cocoa pesticides. In 1961, there was a lot of debate in the House on proposals to seek new markets for cocoa in Japan, Russia and India to arrest the decline in cocoa prices in World Markets, with Mr R. O. Areola (Ekiti SE1) speaking eloquently for government (Action Group) and with Mr A Adisa (Ibadan SE Rural), speaking for the NCNC opposition, replying in good measure. For more details, see Idachaba, F.S. *Farm Input Subsidies for the Green Revolution in Nigeria: Lessons of Experience*, Food Policy Technical Research Paper No. 2, Food Policy Research Programme, Department of Agricultural Economics, University of Ibadan, May 1981, 121 pages.

Table 5: The Distribution of LGA, State and Federal Roads, by States, Nigeria, 1978/79–1980

State	Road Lenths in Kms.				Measures of Dispersion of ROad Lengths Across LGAs (Coefficient of Variation In Percentages)			
	Federal Roads	State Roads	LGA Roads	All Roads	Federal Roads	State Roads	LGA Roads	All Roads
			kms			%		
Anambra	863.50	1,423.40	810.50	3097.50	68.91	60.23	156.59	53.94
Bauchi	1,460.2	794.8	3938.6	6193.8	56.82	87.97	49.79	42.96
Bendel	1,481.18	3,331.43	7079	11891.61	110.74	62.40	98.95	73.48
Benue	1,363.4	1,249	3346.2	5674	48.81	53.05	64.08	47.09
Borno	2,963	1,086	1172,5	5221.5	72.70	60.09	29.15	44.50
Cross River	1,380.39	2,747.89	6504.39	10632.67	92.45.	53.88	48.55	
Gongola	2,587	1,338	5,479	5,479	9,404	72.11	59.78	46.96
Imo	890	1,189	2,562	4,641	85.41	81.38	63.33	66.35
Kaduna	1,710	1,223	1,818	4,751	59.16	94.35	55.97	39.89
Kano	1,212	1,606	3,988.66	6806.66	42.47	184.03	78.98	54.82
Kwara	1,896	1,123	2,306	5325	102.85	68.80	54.57	69.95
Lagos	261.30	369.42	1723.28	2354	100.25	52.81	88.07	70.60
Niger	1,440	920	3560.4	5920.4	52.84	90.98	57.12	50.40
Ogun	782	899	6438	8119	47.59	40.35	37.11	29.11
Ondo	983.5	2,660.5	3747	7308	113.10	52.35	102.64	70.12
Oyo	1,1185	928	7821	10002	99.21	74.47	123.07	101.70
Plateau	1,777	2,214	3497.4	7488.4	66.54	51.54	47.93	41.77
Rivers	441.8	616.2	n.1	1058	71.36	90.24	N.A.	74.87
Sokoto	2,233	1,082	3084	6399	64.60	113.25	65.64	42.55

Note: "n.a." "not available"

Source: Original Data from Rural Infrastructures Project Field Survey.

Table 6: The Distribution of Road Densities, by States, Nigeria, 1978/79–1980

State	Federal Roads	State Roads	LGA Roads	All Roads	LGA Median Value	Measures of Dispersion of Road Densities Across LGAs (Coefficient of Variation in Percentages) Federal Roads	State Noads	LGA Roads	All Roads
		metres per km^2			(All Roads)				
Anambra	50	82	47	179	11.5	89.02	215.23	128.65	137.70
Bauchi	22	12	60	95	405	75.53	75.52	80.80	78.58
Bendel	41	92	195	328	600.7	68.68	62.57	121.40	88.00
Benue	27	24	65	111	436.6	48.90	78.27	59.84	46.56
Borno	25	9	10	45	253.5	98.05	84.64	45.42	61.44
Cross River	48.23	96.01	227.28	371.52	579.4	41.01	58.77	99.66	77.68
Gongola	25.9	13.4	54.8	94.1	522.5	63.66	66.89	92.89	68.66
Imo	70	94	222	366	222	280.04	210.11	116.21	141.63
Kaduna	25	18	27	70	330	39.10	83.54	69.91	35.12
Kano	28	37	93	158	306.35	47.49	334.92	49.70	121.64
Kwara	31	18	38	88	322	60.59	103.55	111.19	85.93
Lagos	79	111	519	709	220.05	53.75	56.50	151.83	118.37
Niger	32	20	78	130	760	167.47	138.80	89.29	111.29
Ogun	48	55	393	496	842	79.19	63.22	60.20	53.55
Ondo	48	130	183	357	305	83.75	40.48	85.91	57.63
Oyo	25	20	168	215	222	95.16	83.50	133.50	104.18
Plateau	32.2	40.8	64.5	138.1	500.1	55.23	31.87	60.96	38.51
Rivers	21	30	n.a.	51	96.8	157.57	85.97	NA	97.94
Sokoto	22	11	31	63	291	54.75	92.59	63.14	32.80

Source: Rural Infrastructure Project Field Survey

Table 7: The Distribution of Public Water Supplies, by States, Nigeria, 1978/79–1980

State	Daily Pumping Capacity (Litres)	Estimated per Capita Supplies (litres/day)
Akambra	49,158[+]	0.01
Bauchi-	4,749,023	5.50
Bendel	23,079.600	6.3
Benue	Not available	Not Available
Bornu	50,961,900	11.45
Cross River	12,046,434[+]	13.80
Gongola	57,294,000	14.56
Imo	96,350,000	19.10
Kaduna	Not Available	Not Available
Kano	37,366,974	5.80
Kwara	45,624,000	16.30
Lagos	36,760,960	17.15
Niger	Not Available	Not Available
Ogun	27,355,000	16.26
Ondo	35,548,280	13.30
Oyo	182,344,600	39.10
Plateau	74,701,000	24.80
Rivers	Not Available	Not Available

Note[+] Measurement in Cubic Meters Per Day.

Source: Original Data from Rural Infrastructure Project Field Survey.

Table 8: The Distribution of Postal and Telecommunication Facilities by States, Nigeria, 1978/79–1980

State	Number of Pos Offices and Postal Agencies	Population per Postal Facility	Land Area Served by A Postal Facility (km^2)	Walking Radius of a Postal Facility (km)
Anambra	N.A.	–	N.A.	N.A.
Bauchi	17	212,309	3854.125	35.03
Bauchi	17			
Bendel	260	14,051	139.59	6.66
Benue	63	57,189	811.4	16.1
Borno	75	59,385	1554.52	22.22
Cross River	164	31,683	174.50	7.4
Gongola	35	112,422	2855	30
Imo	250	23,236	50.76	4.02
Kaduna	N.A.	–	N.A.	N.A.
Kano	29	303,517	1485,17	21.74
Kwara	93	30,189	649	14.37
Lagos	196	10,934	16.96	2.32
Niger	27	60.026	1683.11	23.14
Ogun	148	18,012	111	5.94
Ondo	143	29,024	144.4	6.78
Oyo	215	36,664	216.6	8.30
Plateau	38	79,173	1427	21.3
Rivers	77	31,657		
Sokoto	17	425,588	5944.53	43.50

Source: Original Data from Rural Infrastructure Project Field Survey.

Table 9: Accessibility of Allocated Rural Banks Under the Rural Banking Programme (Phase I), Nigeria, 1979.

State	No of Branches Allocated	Land Area Served by a Rural Branch (km^2)	Average Walking Radius of a Rural Branch (kms)
Anambra	18	960.3	17.5
Bauchi	10	6,452.0	45.3
Bendel	9	4,022.2	35.8
Benue	8	6,389..7	45.1
Borno	12	9,715.8	55.6
Cross River	6	4,770.0	39.0
Gongola	15	6,661.0	46.0
Imo	14	906.4	17.0
Kaduna	3	22,595.0	84.8
Kano	18	2,383.3	27.6
Kwara	6	10,064.7	56.6
Lagos	2	1,661.0	23.0
Niger	5	9,087.2	53.8
Ogun	10	1,636.9	22.8
Ondo	16	1,281.1	20.2
Oyo	15	3,105.1	31.4
Platea	10	5,423.2	41.5
Rivers	10	2,072.7	25.7
Sokoto	11	9,187.0	54.1

Source: Same as in Table 8.

ween the rural and urban sectors; and the establishment of needed multi-sectorial and multidisciplinary institutional mechanisms for the intersectorial, coordinated supply of services by the different sectors. Finally, measures of social progress must go beyond such traditional measures as the GDP, capital formation, etc, to such basic needs of the common man as potable drinking water, housing, medical facilities etc.

Strategy for Integrated Rural Development: Several choices exist as to strategy (i) the integrated "package" multisectorial approach versus the individual "commodity" approach (ii) the "intensive package" approach in which you saturate a limited area with all services versus the "minimum core package" that covers a much larger land area (iii) small scale farmers versus commercialized scale (iv) intensive versus extensive agriculture (v) agriculture versus rural industrialization and (vi) direct project management, provision of rural basic needs versus project management coordination of supplies of such basic needs through (autonomous) individual sectors.

Rural Development Policy Instruments

Policy instruments hold the key to the realization of chosen rural development objectives. These instruments include farm input distribution systems that ensure timely provision of required fertilizers, seeds, farm machinery, pesticides, etc and an effective extension system that provides useful management advice. Steps must be taken to evolve an integrated extension-research-trainning-visit system that ensures a two-way link between researchers in the research institutes and those who supply research results in the field. Other instruments include a rural infrastructure development programme (especially rural feeder roads) to improve the terms of trade between agriculture and the wage goods sector through improvements in the structure, conduct and performance of food, fibre and farm input markets; supportive and farm credit facilities and institutional mechanisms and management practices that ensure equality of access to agricultural, agro-industrial and other rural nonfarm technologies; public resource support for rural industries;[1] rural water supply schemes, schools, primary health care, and electricity and finally, rural institutions to cater for rural interests in the nations political process and in all rural-urban dialogue and linkages.

Contributions of Rural Infrastructures to Economic Recovery

Accelerated provision of rural infrastructures forms the core of any effort to transform rural Nigeria. The historical decision to launch a national programme to construct 60,000 kms of feeder roads reflects the structural importance of rural roads in efforts to revive agriculture. About 4000 kms of feeder roads constructed by the ADPs have facilitated timely evacuation of farm produce and the delivery of farm inputs, there-by reducing post harvest losses and farmgate input prices below what they would otherwise have been. Transportation costs have been lowered as rural transportation shifted from head porterage to animal haulage and motorized transportation. Savings in transportation time and in road user charges, especially vehicle operating costs, have also conferred benefits on farms. Experiences from the Funtua ADP show that the model project feeder road was one linking villages to the trunk road network, emphasizing integration of surplus production systems within the national market network. This has enhanced spatial production efficiency enabling the Southern States to rely on some Northern States for supplies of maize, cowpea, dry season tomatoes, etc while the North relied on the South for its roots and tubers, citrus, plantains, etc.

Rural roads have had productivity, price and distributional consequences. Resources have been made more producive and high productivity inputs have reached farmgates in larger quantities. Roads have raised nominal farmgate producer prices as was the case in Lafia ADP where farmgate prices as a proportion of urban retail prices went from 60 percent before the construction of ADP project roads to over 90 percent after the construction of

1. These include: food (food processing and baking), gexiles and weaving apparel spinning and weaving, dyeing, tailoring) shoe making and reapir, mat making, wood. (carving, carpentry) metal (goldsmithing, blacksmithing, welding and fitting); repair services (radio, vehicle and watch); building (mansonry, plumbing, electrical fitrings, etc), pottery and other art works. For a study on West Africa, See Liedholm, C. and *Chuta, E. The Economies of Rural and Urban Small Scale Industries in Serra Leone,* African Rural Economy Paper 14, Department of Agricultural Economics, Michigan State University, East Lansing 11976.

the roads. In altering spatial production patterns, rural roads affect the spatial distribution of income earning and employment generating opportunities among social groups and regions. Rural roads enhance national social cohesion and the quality of rural life by givng rural dwellers a sense of belonging to the larger Nigerian society. The rural feeder road program marks the first time that federal funds are being channelled through a federal institution to build or cause to be built a network of feeder roads.

Rural roads in and on their own will have very limited impact. To realize the production effects, 432 farm service centres for input supply points have been constructed in ten ADPs as at December 1984. The combination of rural roads, farm service centres and a virile farm input distribution system meant assured supplies of fertilizer and other farm inputs in the project areas.

The provision of irrigation water and water control infrastructure holds the key to sustained agricultural growth and the attainment of national food security. If the RBDAs are properly focused as was intended in the budget, substantial incremental food and fibre production can be realized from increases in cropping intensity. Production efficiency will be enhanced as farmers shift from low value to high value crop production.

On storage infrastructures, it is important to stress that small holder agriculture is a highly decentralized production system and any efforts to stabilize intra seasonal food supplies and prices must necessarily be a highly decentralized network of on-farm storage facilities operated by individual Nigerians and farmers' groups as a substitute for past government efforts in off-farm storage. What is recommended is a network of smallscale prototypes built near farm service centres that is backed up by an extension service on materials to be used and on construction methods, so that farmers can learn about the new storage facilities when they come to purchase fertilizers and other inputs from the farm service centres.

The current focus on primary health care at the grassroot level recognizes the productivity losses from morbidity caused by the commonest causes such as malaria infective and parasitic diseases especially in the ageing farm labour force. An ageing farm labour force is constrained in peak farm operations relying on the human muscle as source of motive power in terms of cardiac stress, output and muscular endurance. The productivity losses from ill-health are therefore accentuated by ageing. It should be noted that the interaction of ageing and ill-health has reduced the scope for extensive agriculture and encouraged continuous cropping around the homestead and an increasing demand for fertilization to sustain soil fertility. Programming in the health sector should therefore move away from grandiose urban hospital complexes to a network of rural primary health care centres. By its nature, this should be a joint federal/state programme, not a sole federal initiative, if it is to have longrun sustainability.

Making primary education freely available assures the productivity and resource allocative benefits of education. But, a skeptic might ask: do you need to be educated in the Western sense to be able to plant maize, pick up fresh palm fruit bunches or harvest rice? Probably not, but an ability to read instructions on planting distances, pesticide applications and assembly of mechanical devices certainly facilitates absorption of new ideas and reduces the necessity for physical contact with overstretched and overworked extension workers. Liberalization of access to education liberalizes access to newsfarm technologies and therefore minimizes the inequities that necessarily result when the average farmer acquires knowledge on new technologies only through contact with extension workers or contact farmers or visits to distant demonstration farms.

The new emphasis on rural water supplies is implicit recognition of the linkages between water, health status, productivity and the quality of life. Many people must have heard recent NTA news on the reported death of 25 people in a village in Sokoto State suspected to have drunk conterminated water from a small earth dam lake.

Rural electricity dramatically transforms rural life. Past planning has focused largely on appeasng the vocal urban communities to the virtual total neglect of rural Nigeria. The so-called economic criterion of NEPA for rural electrification needs urgent review especially in lieu of the need to transfer value added to rural communities from increased rural processing.

The 1986 budget stress on rural social mobilization is in recognition of the fact that true rural development must start with rural man as the centrepiece, beginning with his involvement in all efforts that affect his own destiny. Existing rural institutions must be used to articulate, from the grassroot, the true (felt) needs of rural people, liaise with public *as well as* private institutions and functionaries to apply appropriate pressure and thereby establish a two-way channel between rural communities and the urban sector. The emphasis on self-help communal projects and matching grant scheme is aimed at tapping the inate energies and resources of rural communities, getting them to identify with rural development projects and to ensure that the infrastructures built will be maintained through local efforts.

We need to stress that the contributions of individual infrastructures are enhanced by the interactions between the different categories of infrastructures. Thus rural roads are enormously beneficial but their benefits are enhanced if networks of farm service centres, smallscale irrigation works, rural water supplies and output and input marketing infrastructures are also in place. The complementarities between infrastructures requires proper sequencing of rural infrastructural investments if the full benefits are to be realized.[1]

IV RURAL DEVELOPMENT IN NIGERIA: A REVIEW

The pre-1954 era witnessed the development of the regional export economies: the oil seeds in the north, cocoa in the west and oil palm in the east.

By the 1954 federal constitution, "rural development" was a residual item and was therefore "claimed" as a regional responsibility, just like agriculture. The devolution of political power to the regions meant that each Region was free to set its own priorities. The Western and Eastern Regions embarked on free primary education schemes. *The Ten Year Plan for Development and Welfare (1946)* was quickly terminated as regions launched separate regional economic development plans to emphasize newly won and jealously guarded regional political autonomy. These regional plans contained ambitions social programmes as well as projects aimed at exploiting their respective regional crop economies.

Farm Settlement Schemes: The Western Region launched a programme of farm settlements in 1960 aimed at settling graduates of free primary schools on farms. From the *Western Nigeria White Paper on Integrated Rural Development (1963)*, the main elements of the Western Nigeria Government Integrated Rural Development were (i) a plan to settle school leavers in farm settlements starting with 1,000 settlers in the first year at a cost of ₦1,800 per settler (ii) a school uniforms scheme through a system of cooperative tailoring societies to produce 2,445,300 uniforms (iii) a spining mill with a capacity of 5,200 spindles and (iv) a rural broadloom weaving programme.

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1. Thus if rural development (D) depends on the benefits from rural roads (R), farm service centres (C), rural water supplies (W)' small irrigation works (RI), marketing infrastructures, (M) etc:

$$D = (R, C, W, I, M, \ldots\ldots\ldots\ldots),$$

then the benefits from the interaction effects of different infrastructures imply that the second cross partial derivatives of the above production function are postive.

The Farm Settlement Scheme failed partly because it recruited young, unmarried school leavers whose farm roots were at best tenuous and who remained on farms only until better off-farm job market opportunities materialized and partly because demonstration effects of the scheme on surrounding farmers did not materialize and the settlements turned out to be too capital intensive and expensive.[1] The expected cooperative activity on the settlements did not materialize and settlers regarded themselves as government employees rather than cooperators. Much more fundamentally, the scheme failed because it arose not out of genuine concern to develop the rural area or even the settlers but out of a desire on thepart of the political leadership in Western and Eastern Nigeria to solve an urgent problem of the urban political economy: the school leaver unemployment problem[2].

By 1965, the new Federal Ministry of Agriculture eat the centre, taking care not to explicitly mention "Agriculture" in the name in order not to hurt the spirit of the 1963 Constitution or the political sensibilities of the powerful Regions. With the creation of 12 States in 1967 and the diminution of the political power of the old regions and given the strong need to coordinate agriculture at the centre, the stage was set for the creation of the Federal Ministry of Agriculture and Natural Resources in 1968. Three areas were identified for federal assistance to agriculture in the *Second*

1. See Idachaba, F.S. "The Demonstration Effects of Farm Settlement Shcemes: Theory and Evidence" *Bulletin of Rural Economics and Sociology*, 1973.
2. This is evident from the *White Paper (op. cit)* which states *inter alia:* "Although primary school leavers constitute a rather explosive element – in that this is the population sector which features specially in troublesome migration to towns and cities – any proposals designed to solve unemployment take account of illiterate youths as in (P. 1).

National Development Plan 1970-74 (i) grants for the development of agriculture, forestry, livestock and fishery (ii) establishment of a National Credit Institution and (iii) "Special Agricultural Development Schemes where the federal government enters into both financial and management partnership with state governments in carrying out projects".[2]

The post-1975 era has been characterized by rather feverish activity by the federal government in agriculture, beginning with the launching of the first generation of Agricultural Development Projects (ADPs) in Funtua, Gusau and Gobe in 1975. These were quickly followed by new ADPs in Lafia and Ayangba (1978/79); Bida and Ilorin; Oyo North and Ekiti Akoko. These were all enclave ADPs covering some LGAs. There were demands, especially with the onset of the civilian regime, for the benefits of ADPs to be spread to all LGAs within a State. This led to the new generation of statewide ADPs in Bauchi, Kano, Sokoto and Kaduna (1981, 1982, 1984). These have now been followed by the recently launched phased statewide ADPs in Anambra, Benue, Cross River, Imo, Bendel, Plateau and Ogun States (1985/86).

The main objectives of the ADPs have been to increase production of food and fibre as well as producer incomes. The core elemens of ADPs which singularly distinguish them include:

- an input and credit supply system though a network of farm service centres which ensure that no farmer travels more than 5–15 kms to purchase needed-farm inputs;
- a massive rural feeder road network that has opened up new areas for cultivation and has facilitated rapid evacuation of farm produce and prompt delivery of inputs;
- a revitalized extension and training system backed up by timely input supply and adoptive research services;
- joint state-federal collaboration from project identification stage, right through project implementation; and
- solid project management together with built-in project monitoring and evaluation.

2. See *Second National Development Plan 1970–74*, Federal Ministry of Information, 1970, p. 113.

I have extensively reviewed the ADPs else where and I wish only to very briefly summarize my findings.[1] The ADPs represent a true innovation in programming for agriculture and rural development not only in their integrated supply of farm inputs and infrastructural support but also in their efforts to revamp and revitalize extension services within project areas. Farm production has increased and the ADPs have encouraged production according to agro-ecological advantage. It is no accident that Kaduna State, the seat of the oldest ADP, is now the largest producer of maize surpluses to feed Nigeria's poultry industry with feed mills located mainly in the south. Similarly, Bauchi State, another seat of one of the oldest ADPs, is also the second largest producer of maize surpluses. Yet maize was not a traditional crop in these and other northern states whose farming system are traditionally dominated by sorghum and millet. The explanation is that maize was actively promoted by the ADPs within the framework of a virile fertilizer distribution programme provided by ADP management. For example, the Funtua ADP with its network of 71 active farm service centres and over 500 kms of feeder roads and spanning Funtua and Malumfashi LGAs accounted for over 40 percent of all fertilizer sales in Kaduna State land area. The Kano ADP has made major breakthroughs in cowpea diseases and pests. The *ex post* evaluation of the completed projects suggests that these projects have been cost effective relative to other agricultural projects.

The River Basin Development Authorities (RBDAs) were launched in earnest in 1977 to develop the major river basins and provide irrigation infrastructures. Unfortunately, these RBDAs are more noted for their colossal waste of national resources and award of contracts than for any notable extension of irrigated agriculture over large tracts of land and covering any significant number of farm families. The reasons for their failure include:

- a rush to allocate colossal sums of money to the RBDAs without any effort to formulate coherent programmes with the result that Board members in many RBDAs in the civilian regime reportedly attended Board meetings only to collect cheques for contractors in their constituency (See Tables 10 – 11).

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1. For detailed analysis, See Idachaba, F. S. *Integrated Rural Development in Nigeria: Lessons from Experience*, Occasional Paper 3, Federal Agricultural Coordinating Unit, (forthcoming, 1986).

Table 10: Federal Government Budgetary Allocations to Agriculture and Irrigation

Year	allocations to Agricul-ture (₦mill)	Allocation to Irriga-tion	Allocation to Agricul-ture and Irrigation	Allocation to irrigation as (%) of Allocation to All Agriculture and Irriga-tion.	indices of Allocation to: Agriculture 1973/74 = 100	Irrigation 1973/74 = 100
1973/74	45.524	2.060[1]	47.584	4.33	100	100
1974/75	56.411	3.986[2]	60.397	6.60	124	193
1975/76	159.351	128.628	287.970	44.67	350	6244
1976/77	129.95	190.005	319.955	59.38	285	9224
1977/78	105,492	299.999	405.491	73.98	232	14563
1978/79	128.402	245.785	374.187	65.69	282	11531
1979/80	219.673	359.555	579.228	62.07	483	17454
1980	246.529	538.029	784.558	68.58	542	26118
1981	412.002	710.516	112.518	63.30	905	34491
1982	531.375	562.263	107.638	52.27	1167	27294

(1) For expansion of South Chad Irrigation Scheme and Sokoto Rima Valley Development Project.
(2) ₦3,986 million for Expansion of South Irrigation Scheme; also ₦11.000 million loan to the Sokoto–Rima Development authority for the Bakolori Project. The loan was granted by the Federal Ministry of Finance.

Source: *Capital and Recurrent Estimates of the Federal Government of Nigeria* (Various Issues).

Table 11: Proposed Federal Expenditures on River Basin Development Authorities 1981 – 1985

RBDA	Crops to be Irrigated	Hectares to be Irrigated (Ha)	Total Cost (₦ Mill)	Cost per Hectare (₦)	Percentage Allocations ro all RBDAs	Estimated Share of Total Land within each RBDA (%)
1. Anambra-Imo	Rice, Maize, Vegetables, Yam, Miscella-neous	68,200	105.000	1539.59	5.81	3.25
2. Benin-Owena	Unspecified	16,500	132.000	8000.00	7.30	6.15
3. Upper Benue	Grains, Sugar Cane	117,800	118.000	1001.70	6.53	9.10
4. Lower Benue	Rice largely unspecified	103,700	102.000	983.61	5.65	11.40
5. Chad Basin	Rice Wheat, COtton, Live-stock	116,000	170.000	1466.52	9.41	14.76(1)
6. Cross River	Rice, Maize, Vegetable, Livestock	89,500	80,000	893.85	4.43	3.1
7. Hadejia Jam'are	Livestock/ Fishereis, Unspecified Crops	50,900	127.000	2495.09	7.03	7.00(2)
8. Niger Delta	Rice, Fish	N/S	85.000	n.a.	4.70	2.26

Table 11 Contd.

RBDA	Crops to be Irrigated	Hectares to be Irrigated (Ha)	Total Cost (₦Mill)	Cost per Hectare (₦)	Percentage Allocations to all RBDAs	Estimated Share of Total Land within each RBDA (%)
9. Niger	Vegetables and unspecified crops.	67,950	146.000	2148.64	8.08	17.16
10. Ogun-Oshun	Livestock, Maize, Legumes, Vegetables, Poultry, Piggery, Rice	45,600	145.000	3179.82	8.02	7.17
11. Sokoto-Rima	Wheat, Rice, Tomatoes, Maize, Livestock, fishery, cowpeas. vegetables	97,440	597.000	6126.85	33.04	12.57

Notes: (1) Includes, 19,772 km^2 from Gongola State

(2) Includes 21,622 km^2 from Bauchi State

(3) Includes 15,077 km^2 from the old Katsina Emirate

Source: Fourth National Development Plan 1981–85, FOI 2;

Idachaba, F. S. etc. Rural Infrastructures in Nigeria, Vols 1 & 2, Federal Department Development, 1981.

— failure to define appropriate roles with the result that RBDAs abdicated their historical mission of providing irrigation and flood control infrastructures and concentrated instead on direct production of poultry, rice, maize, etc in competition with private farmers and at great expense to the treasury;
— duplication of roles as RBDAs set up paralled organizations for the distribution of fertilizers and other farm inputs in direct competition with state agencies, with RBDAs taking on too many roles and thereby overstretching financial and management resources;
— an undue concentration on technically grandiose irrigation projects of Bakolori, Goronyo and Challawa type, to the total neglect of small earth dams and, finally,
— politicization of RBDAs with the creation of one RBDA per state and their conversion into full fledged agricultural development projects fully funded by the federal government, charged with grassroot implementation of agricultural programmes in states, in direct contradictin to our historical and constitutional legacies by which agriculture had constitutionally been a state responsibility for most of our history.[1]

It is against this background that the recent changes introduced by President Babangida in the 1986 budget are most welcome. The RBDAs now have yet another opportunity to live up to their historical mission and the original basin concept which cuts across state boundaries and emphasized agro-ecological complementarities between river basins and possible transfers of water between basins. The recent reduction of RBRDs is meant to rationalize the entire system along these principles.

At the state level, Ministries of Rural Development have been created in some. Community Development Sections in Ministries of Local Government have supported communual self help projects at the LGA level with varying degress of commitment and success.

Nongovernmental organizations such as the Churches and Islamic groups have also been active in rural development. Given the lessons of experience, what are the prospects for rural development as a foundation for sustained economic recovery in Nigeria?

1. It is not clear what criteria were used in allocating funds to the RBDAs: the correlation coefficient between percentage allocations to RBDAs and RBDAs shares in total land area was only 0.39.

IV. RURAL DEVELOPMENT AS SOURCE FOR SUSTAINED ECONOMIC RECOVERY: ISSUES AND RECOMMENDATIONS

Let us recapitulate the essential elements of the 1986 federal budget proposals for food, agriculture and rural development. President Babangida's budget measures include:

(i) the explicit policy recognition that rural development holds the key to sustained agricultural production and distribution and the realization of the need to structurally transform rural Nigeria.
(ii) the creation of a Directorate of Food, Roads and Rural Infrastructures in the office of the President with a mandate to construct 60,000 kms of feeder roads, and other rural infrastructures nationwide.
(iii) promulgation of a Rural Development Decree
(iv) a pivotal implementation role assigned to the Agricultural Development Projects (ADPs), for the country's agricultural programmes nationwide.
(v) streamlining the role of the River Basin Development Authorities and drastically reducing their number to emphasize the original basin concept underlying the creation of basins of this type
(vi) a national on-farm storage program as contrasted with past sporadic and rather feeble-hearted attempts at developing off-farm storage facilities.
(vii) a new farm credit scheme for smallscale farmers at the grassroots level, including new credit guidelines to emphasize national commodity priorities.
(viii) food and fibre market information dissemination service
(ix) the ban on vegetable oil, stockfish, commercial day old chick and hatching eggs imports
(x) a pesticide control Decree, and
(xi) a statement of guiding principles for the agricultural component of the budget

The budget represents a major policy watershed in shifting budgetory programming away from the urban to the rural sector. Let us now examine the basis for this shift under several themes.

(1) National Rural Development Policy

Though several state and federal agencies provide services aimed at improving the welfare of rural Nigerias, there is still no national rural development policy. Programmes and projects are largely *ad hoc* in nature, representing responses of successive regimes.

I recommend the articulation of a national rural development policy, the general objective of which shall be the upliftment of the general welfare of the rural majority and their integration with the mainstream of the country's socio-economic and political progress.

The specific objecives of the proposed national rural development policy include (i) raising real incomes of rural people (ii) diversifying rural income earning and employment opportunities (iii) reducing rural wealth and income inequalities within the rural sector and between the rural and urban sectors (iv) enhancing the dignity and self-respect of rural people and (v) promoting the integration of the rural majority within the Nigerian polity.

(2) Guiding Principles of National Rural Development Policy

National rural policy should be guided by the following principles:

(i) *One nation, one social system:* Public policy should not inadvertently constitute a source of further polarization of the Nigerian society, consisting of a favoured urban minority and an increasingly deprived and isolated rural majority. The harmonious development of Nigeria's rural and urban sectors holds the key to longterm social and political stability.

(ii) *The Small-sucle farmer and Rural Entrepreneur as the Centrepiece of Rural Development Strategy.* A focus on the small-scale farmer and rural entrepreneur recognises the primary source of marketed surplus food and fibre, the need to uplift the welfare of the rural majority and provide gainful employment opportunities. This will drastically reduce the massive rural-urban migration and promote greater rural-urban social balance and harmony.

Policy should focus on rural man not just as a producer of food and fibre surpluses for the urban economy or exports but also as a household head, equally entitled, like his urban counterparts, to such basic needs as decent housing, potable water, primary health care, functional literacy and good roads, to mention a few.

(v) *Rural Man In Decision Making:* To ensure continuity, the release of creative abilities of the rural masses and the genuine identification of intended rural beneficiaries with rural development projects, future development strategy should emphasize the involvement of rural residents in the identification, formulation, implementation, monitoring and evaluation of such projects. Unless rural people can "internalize" rural development projects, all externally imposed projects are bound to be short-lived.

(vi) *Minimal Role of Government in Direct Production and Distribution:* A corollary of the immediately preceding principle is that government should play only a facilitating, as opposed to a direct production role, in rural development. Government role should only be catalytic, comprising price and non price incentives and the provision of rural infrastructures.

(vii) *Emphasis on Coordinating Institutions and Interdepartmental Linkages:* Since portfolio responsibility for different aspects of rural development rests with the executive ministries and their parastatals, rural development strategy during the economic emergency period and the Fifth Plan period should concentrate on institutional coordination, interministerial and interdepartmental consultation and smooth communication flows. New institutional structures must be seen in their complementary roles so that established executive Ministries do not feel so threatened as to sabotage integrated rural development projects. This will ensure institutional integration at all levels: between federal officials at headquarters and in the field; between the officials of different federal ministries at headquarters level (Lagos/Abuja); between federal/state officials and local government and traditional authorities; and finally there is the required integration between government and the private sector.

(viii) *Integration of Production and Marketing Activities:* The concurrent integration of production and marketing activities is critical for effective rural development programming. Otherwise the solution of the rural (farm and nonfarm) production problem will result in second generation marketing problems.

(ix) *Equality of Access to Production Inputs:* Equality of access to production requisites and new income-generating opportunities is the cornerstone of egalitarian development and social justice. Otherwise existing rural income and wealth inequities will be exaceberated, with the rich getting richer and the poor getting poorer.

(3) **Philosophical Approaches to Rural Development**

Formulation of basic philosophical and strategic approach to rural development follows once the benefits have been properly comprehended by the policy process. Rural development, when viewed through urban eyes, civilian or military, has tended to concentrate on extraction of surpluses of food, fibre and even men to feed the urban economy. Once the focus shifts to the upliftment of the welfare of rural man the implied national rural development policy would radically differ from past approaches. The concentration on surpluses and viable economic rates of return relegated considerations of wealth and income distributional consequences of rural development projects to the background.

(4) **The Core Elements of Proposed Rural Development Strategy:**

The core elements of the proposed rural development strategy include:

(i) vastly streamlined and revamped delivery system for farm and nonfarm inputs that ensures timely availability of production requisites in the right quantities, in the right place and at the time that rural producers need them most.

(ii) an integrated research-extension-training-management system that ensures a two-way link between researchers and a new cadre of rural development workers

(iii) a massive rural infrastructure programme (especially rural feeder roads) to vastly improve the domestic terms of trade between agriculture and the wage goods sector through improvements in the structure, conduct and performance of food, fibre and input markets

(iv) the heavy reliance on the village community as the primary unit of development

(v) active cultivation and nurturing of a network of rural institutions and farm organizations that will liaise with and pressurize relevant government functionaries for the timely delivery of production requisites and non-farm consumer goods in the rural areas.

(vi) the heavy reliance on the ADPs to provide the core agricualtural and marketing components

(vii) a completely revamped and revitalized network of rural credit facilities utilizing rural credit and multipurpose cooperative societies especially at the village, district, LGA and zonal levels to facilitate input purchase and infrastructural improvements by small-scale, medium, and large scale farmers and rural industrialists, and

(xiii) the establishment of a network of coordinating institutions within the Presidency, offices of Governors, the zones and the LGAs to coordinate the activities of executive ministries and parastatals with portfolio responsibilities for rural development.

(5) **The Directorate of Food, Roads and Rural Infrastructures**

The establishment of the Directorate of Food, Roads and Rural Infrastructures in the 1986 budget represents a central innovation because:[1]

(i) it marks a main policy watershed in the country's determination to shift the traditional focus of development programming relatively away from the urban to the rural majority, whom successive governments have treated with benign neglect, if not outright disdain;

(ii) it places the core of federal government rural development programming squarely in a supraministerial institution at the highest level of political authority, within the Presidency, in recognition of the multisectoral and multidisciplinary requirements of rural development;

(iii) it ties the Directorate to a specific source of funding which should remove some of the funding anxiety that normally plagues developmental agencies that must typically depend on the general treasury for regular subventions;

(iv) it emphasizes social mobilization at the grassroots to identify the true needs of rural communities; and

(v) it contains specific physical targets that must be achieved within the budget period.

The nation is justifiably anxious about implementation. Four issues would need to be urgently addressed to get the Directorate going. First, a viable structure of the Directorate must be specified with clear distinction between program formulation on the one hand and implementation on the

1. For more details, See Idachaba, F. S. "Infrastructures and Rural Development in Nigeria" invited Paper presented at Meetingof the National Committee on Rural Development. Bauchi, 6–7 March, 1986.

other. The Directorate must have a small policy making cell/body that is quite distinct from a small lean core of top notch professional that will man the secretariat of the Directorate. Unless such a distinction is maintained, programme formulation, implementation coordination and monitoring and evaluation of the Directorate's activities will all be mixed up. It must be emphasized that the Directorate should not establish another parallel bureaucracy to compete with existing agencies but must select existing agencies with proven trace record for cost-effective implementation of selected programmes.

Second, a clear programme must be articulated with objectives, primary targets, secondary target and the means for achieving the targets. The emphasis on social mobilization at the rural community level represents an innovation, though attention and resources must not be focused on this objective as if the essence of the Directorate was to mobilize the rural masses in a national mobilization exercise.

The problem, is not our total ignorance of the true needs of the local communities. Far from it: the *Rural Infrastructures Project Surveys Report* showed clearly what the revealed preferences and felt needs of rural communities are for each of the country's 301 LGAs, as reflected in the distribution of self-held projects that rural communities pool their resources together to prosecute.[1] Rural feeder roads were the commonest communual self-help project that rural communities embarked upon. In other words, the Directorate should not set out, in its rural social mobilization effort, to "discover" that rural people need rural roads. Rather, what needs consultation is the prioritization exercise, to identify the sequence in which rural roads shall be built, consistent with national food and agriculture priorities. Our past failures have been due rather to lack of will power to formulate and implement a comprehensive programme of development for rural Nigeria.

Finally, there are definite limits to a rural mobilization exercise within an ideological vaccum and which bears no relationship to any statement of national socio-political objectives. The Directorate should focus on concrete road and other programmes with initial emphasis on areas of high potential for rice, maize, vegetable oils and essential industrial crops and fibres and potential export crops. The Directorate should supplement ongoing efforts of mainstream Ministries of Agriculture/ADPs in the implementation of priority commodity programmes.

1. See Idachaba, F.S. etc *Rural Infrastructures in Nigeria*, vols 1 & 2, Federal Department of Rural Development, 1981.

Unless the programme of the Directorate is well articulated, the exercise soon degenerates into *programme implementation ad hockery* in which the Directorate gets pulled in different and quite often conflicting directions in response to pressures of the moment.

Third is the urgent need for the Directorate to resist pressures to pull it away from its intended agricultural roots. Agriculture remains the predominant occupation in rural Nigeria and therefore the largest source of income for rural dwellers. The roads and other infrastructures to be developed must therefore be closely tied to food and fibre production, processing and distribution. True, some of the Directorate's programme expenditures would need to be on equity or general development and rural transformation grounds but the bulk of the rural road funding must have substantial programmatic content. Otherwise, the Directorate might degenerate into a mere "fund disbursement" institution, not different from the Operation Feed the Nation and the Green Revolution before it. If this should happen, the country would have missed another golden opportunity.

Fourth is the critical need for monitoring and evaluation of the Directorate's activities. Here again, care must be taken to distinguish between shadows and substance. For effective monitoring of the Directorate's programme, we must answer the following questions:

(1) Monitoring for what and for whom? What is the purpose and who are the end users of the monitoring information?

(2) Can any meaningful monitoring exercise take place without the corresponding technical back up support? Any monitoring exercise without the contemporaneous technical backup support in virtually useless to project management, using FACU's experience as guide.

(3) What are the provisions for regular supervision missions to projects being coordinated and financed by the Directorate.

FACU has developed highly skilled capabilities in monitoring, technical support and supervision of programmes in rural infrastructure development; agronomy; agricultural extension; planning; management information systems; manpower dvelopment, training and utilization; computerized accounting systems and development communications support.

(b) Institutional Arrangements for Rural Infrastructures

By our constitutional and historical legacy, rural infrastructures have been the responsibility of the lowest and poorest tiers of government. Such a decentralized system has also meant enormous variance in the levels of seriousness and commitment especially as, for most of that history, the LGA bureaucracy and political leadership did not require the political support of the rural population to survive. This resulted in cumulative neglect of rural infrastructures as LGA bureaucrats operated a *rentier* system in which contracts were awarded to LGA headquarters-based contractors and so called essential commodities were distributed among the same class, leaving the rural areas to wallow in squalor and communual decay.

A silent revolution has gone almost unnoticed in the last 10 years: the fact that federal funds have consistently been used through the ADPs to build an impressive network of feeder roads in project areas. The revolution must be carried forward and this is the rationale for the Directorate to use federal funds in purposefully putting an initial national feeder road network in place.

On their part, federal and state agencies require two modifications to effectively use the Directorate:

(1) federal and state agencies must treat the Directorate with trust and a sense of collective destiny and common goals, with none posing a threat to the other in the "strugle" for relative position and limelight;

(2) federal and state agencies should not view the Directorate as a "fund disbursement agency," the father christmas of rural development. Rather, they should ensure that they effectively key into the programming work of the Directorate so that the development of viable programmes takes precedence over the struggle for a "fair share" of the highly publicised (but possibly not realizable) Directorate cake.

(7) Maintenance of Rural Infrastructures

This remains a major problem for all our rural development efforts. For example, in those completed ADPs like Ayangba and Lafia that did not immediately become a zone of a new statewide ADP, the LGAs have failed to assume responsibility for the new roads because they lack the maintenance staff, the funds and even the political will. The new ADPs must involve the LGA staff in road design, road rehabilitation, spot improvement and maintenance work not only for transmitting technical capabilities but also to sensitize them to the recurrent cost commitments of road maintenance and to enable the decentralized decision-making process at the LGA level develop the political will and commitment to a programme of maintainin rural infrastructures. Unless that culture is re-established at the

LGA level — after the aberrations of the oil era — roads will be built which are not maintained, pumps for rural water supply schemes will be installed without any local maintenance capability etc., a culture that should involve both the LGA bureaucracy and the local communities and villages.

(8) **Rural Welfare Strategies Mission:** Government should mount a Rural Welfare Strategies Mission to:

- (i) identify the National Welfare Gap, the gap between available supplies of rural infrastructures and requirements that are consistent with a National Minimum Rural Basic Needs Policy;
- (ii) specify strategies, programmes and projects to close the gap;
- (iii) estimate the financial requirements for closing the Rural Welfare Gap;
- (iv) recommend appropriate institutional arrangements, including the share of programme costs to be borne by the communities, local and state and federal governments, and
- (v) to evaluate the rural development programme achievements of the Fourth National Development Plan as a prelude towards formulating the rural development programme content of the Fifth National Development Plan.

The mission should explore the possibility for creating model villages and growth centres and for regrouping of existing villages to facilitate economic provision of different types and levels of infrastructural services. The Mission should consider the need for deliberately siting agro-industrial projects in backward areas to enhance rural incomes, reduce rural poverty and raise rural employment opportunities. The Misson should critically examine the financial and human resource capability of each LGA to provide and maintain rural infrastructures.

(9) **National Minimum Basic Needs Programme:** A National Rural Minimum Basic Needs Programme is proposed consisting of (1) specification of minimum norms for rural basic needs that are consistent with decent rural existence — the Rural Welfare Base Line and (2) specification of Appropriate strategies, including institutional arrangements, to attain the Rural Welfare Base Line.

(10) From Statewide ADPs to Integrated Rural Development

Now that virtually the whole country is covered by the ADPs, a Phase II of the ADP Rural Development strategy is recommended involving the expansion of the conventional ADP concept to embrace:

(i) farm input supplies, extension, produce marketing, processing and storage;

(ii) feeder roads to service agricultural and rural nonfarm production and marketing, human settlements rural industries, rural commerce and general welfare;

(iii) primary health care and education; and

(iv) rural water and electricity supplies.

New Institutional modalities need to be worked out especially at the State and local levels to replace the existing set of totally uncoordinated sectoral institutions.

Bauchi State has set up an Integrated Rural Development Authority to begin the process of moving from a Statewide ADP concerned largely with agriculture to an agency to handle, in addition, social infrastructures such as primary schools, health care, etc under a Commissioner. The Bauchi experience should prove invaluable for other states.

Conclusions

I have been concerned in this lecture with rural development as the foundation for sustained economic recovery in Nigeria.

Past government efforts have failed to develop rural Nigeria because they were *ad hoc*, isolated sectoral responses to pressures of the moment that were not derived within an overall policy frame for developing the rural sector. Other reasons for failure include the narrow-conception of rural man and the rural sector as mere sources of surplus food and fibre to feed the urban and export markets that attracted the attention of the political class only so long as they continued to fulfil this role. Policies and programmes were designed and implemented without the meaningful involvement of the explicitly declared intended beneficiaries.

If the ultimate goal of rural development is the upliftment of the welfare of the rural majority, primary focus must be on income generating opportunities and complementary social services. The Farm Settlement Schemes failed for a variety of reasons including bad planning and management, cost overruns and the absence of a genuine desire to address the rural development issue as distinct from incidental rural development programming that is borne out of a need to solve a pressing socio – political problem confronting the political class –the school leaver problem. The community development projects, though conceptually elegant, have not made the expected impact because of poor funding and technical staffing. Consequently many communal self-help projects have been undertaken which have collapsed no sooner than they were declared open. The River Basin Development Authorities have failed to utilize their enormous potential for providing irrigation and flood control infrastructures. Unfortunately, they have been very badly focused, dabbling into such wide ranging activities as direct crop and livestock production, processing, fertilizer distribution, seed multiplication, extension, dam construction and flood control, with the result that management and financial resources were thinly spread and RBDAs failed to make the required impact.

By far the most successful have been the Agricultural Development Projects (ADPs) now slated to cover the whole country. The institutional arrangements for the ADPs are consistent with our constitutional legacies, placing primary emphasis for programme formulation and implementation on the states, with the federal government playing a catalytic, supportive and coordinating role. A central feature of the ADPs is that they do not engage in direct agricultural production, concentrating only on infrastructural support, agricultural extension and input distribution and thereby leaving production to private farmers, especially the smallscale farmer. Their central contribution has been increased incremental food and fibre production as well as physical and institutional infrastructural support.

One major defect of rural development efforts to date is the absence of coordination in the provision of infrastructures by different sectors: agriculture, health, roads, education, electricity, rural water supplies etc. Programming for rural development especially outside agriculture has been of the residual type, after the needs of the urban economy would have been met. The record of achievements in programming for rural industrialization is dismal, even for those rural industries the output of which have income elastic demands especially at low income levels.

Technological transformation forms the conerstone of rural transformation by setting in motion new production relations based on high productivity inputs. The under development of rural Nigeria is due in large part to the non-availability of technically efficient and economically viable technologies in production and distribution and the failure to win mass adoption of available technologies on the shelf. These defects are compounded by the failure to adopt appropriate economic policies that would assist the private sector to transform the rural sector.

Institutional arrangements for rural development have been in a state of continuous flux as overlapping institutions have resulted in duplicated roles and other institutional ambiguities. Frequent changes in institutional arrangements and policies for agricultural and rural development can be traced to two sources: one, structural, the other, operational. On the structural side, frequent changes in political regime have tended to produce a torrent of new policies and institutional arrangements. Some of the changes have been justified while others have only been cosmetic, meant to give a semblance of change and to give legitimacy to a new regime. On the operational side, many past regimes have woefully failed to explain the rationale behind policies and programmes which quickly become victims of prejudice based on ignorance, as soon as a new regime comes. Old policies then get dressed in new slogans, leaving the general public and the intended beneficiaries dazed and confused.

Political will and commitment holds the key to any sustained programming for rural development. For the first time in our history, government at federal and state levels has declared its commitment to the transformation of the rural sector. It is revolutionary policy to move the apparatus of state away from entrenched urban interests to the widely diffuse and inarticulate and powerless rural interests. There are several subcomponents of this political will and commitment. First is the translation of statements of good intenton into concrete budgetary allocations and releases to back up all the usually loud exhortations on rural development. Second is the need to translate generalized concern for the development of our rural areas into specific programmes of action. Finally, there is the need to translate political priorities in rural development into procedural priorities. Quite often, programme implementation gets bogged down in bureaucratic snarls and political aspirations fail to get translated into program achievements. Most state governments are focussing sharply on rural feeder roads. The federal government is also focusing sharply on rural feeder roads through the programmes of the Directorate of Food, Roads and Rural Infrastructures. Government must continuously choose between alternative investment programmes and must demonstrate the political courage to stick to the rural development priority until the desired structural changes have been effected, inspite of competing alternatives from the urban constituency and the rapidly dwingling budget resources. It is hoped that this Administration will throughout its life maintain this focus on rural development.

The question that needs to be answered in our attempt to explain the stagnation and decline of Nigeria's rural sector is: why have so many policies produced so many undesirable and unintended consequences and beneficiaries? And are consequences that are publicly acknowledge to be "unintended" truly unintended or do they conform with the concealed, unspoken wishes, preferences and intentions of policy makers? In other words, when do "explicitly unintended consequences" become "implicitly intended consequences?"

This leads to the next set of considerations currently engaging my research attention and it is this. Why do unintended consequences of policy, usually called policy mistakes, continue to recur, from year to year, from one regime to another regime and from one development plan to the next? My submission is that unless we can explain the persistence of policy mistakes, to identify their sources, we are bound to repeat them.

It will take me too far afield to present to you the main elements of what I have provisionally called my "theory or policy mistakes." Its point of departure is a sumarization of past efforts at explaining policy failures as nothing more than the supply side approach to policy analysis. This approach concentrates on creation of institutions, the supply and efficacy of policy instruments, the adequacy of budget funds and staff, creation of new technologies, etc. My theory of policy mistakes tries to explain why policy makers do what they do: who are the main participants and decision makers in the policy process? Who are their true clients? What interest groups do they represent or serve? How are vested interests in a decentralized production and distribution system, so characteristic of rural Nigeria, to be articulated?

Unless we can adopt a holistic framework of analysis of public programming with more emphasis on the demand side, we are likely to fail in our collective desire for rural development to form the foundation for sustained national economic recovery.

FIGURE 1

RURAL MAN AS CENTREPIECE OF INTEGRATED RURAL DEVELOPMENT

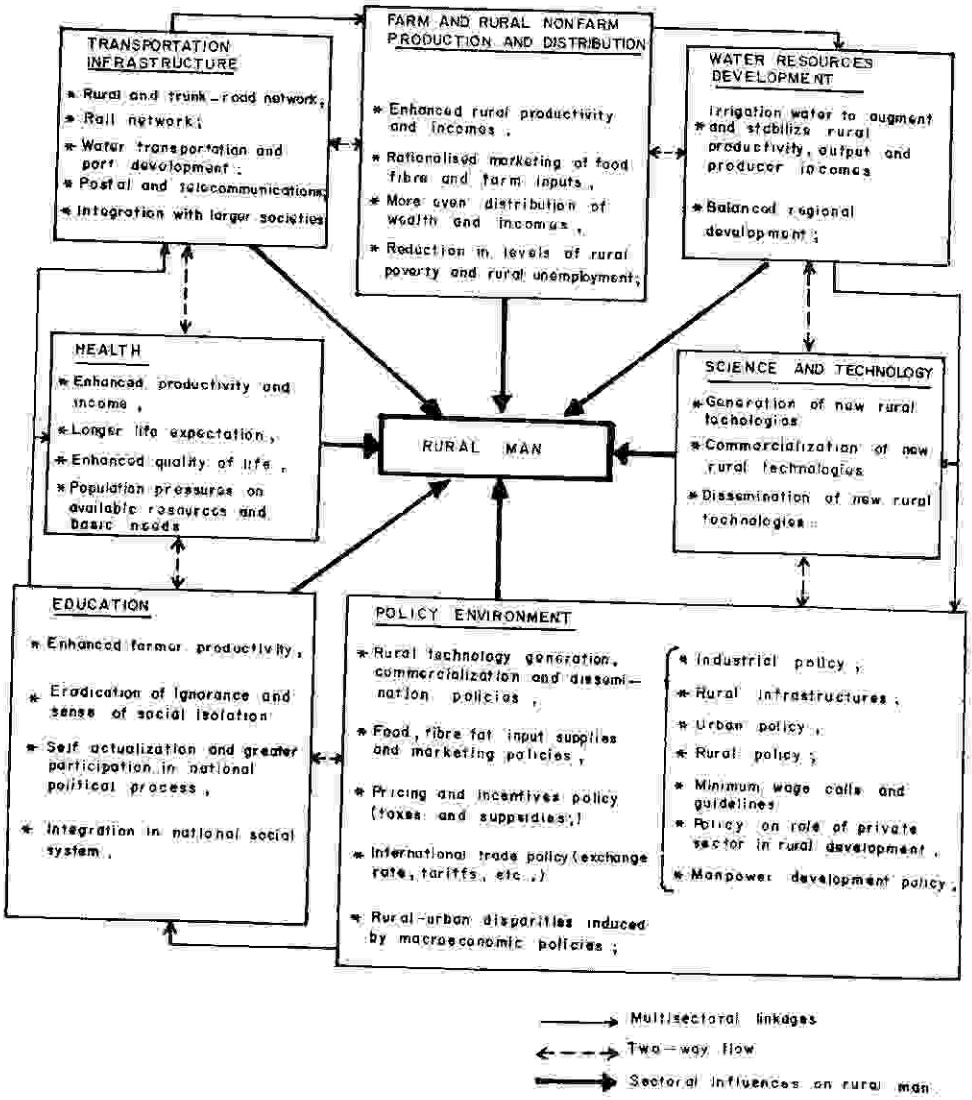

FIGURE 2

DERIVED INSTITUTIONAL MATRIX FOR INTEGRATED RURAL DEVELOPMENT

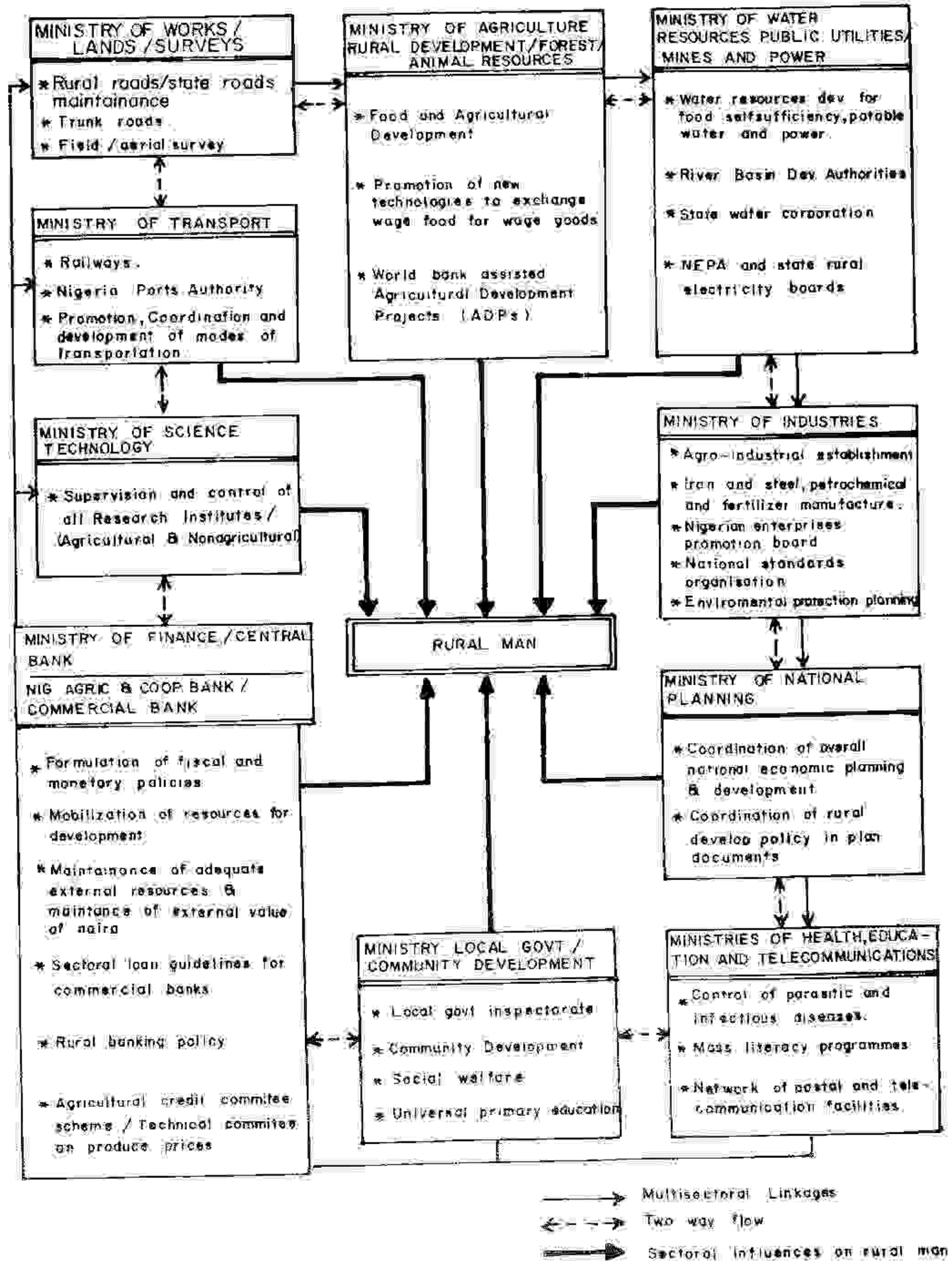

Table 12: Capital Expenditure Estimate Allocation to the Different Subsectors in Agriculture and Rural Development 1981–85

Subsector	1981		1982		1983		1984		1985	
	₦'000	%	₦'000	%	₦'000	%	₦'000	%	₦'000	%
Agric Crops	221,661	18.56	364,680	33.29	440,580	37.08	296,438	35.85	362,835	34.27
Livestock	75,311	6.30	72,374	66.61	59,124	4.98	27,412	3.32	32,189	3.04
Forestry	17,331	1.49	15,676	1.43	10,545	0.01	5,980	0.72	9,772	0.923
Fisheries	15,032	1.25	13,580	1.24	28,050	2.36	2,080	0.25	2,000	0.189
Rural Development Development	82,148	6.87	66,960	6.11	89,000	7.49	131.026	15.85	261,802	24.73
WATER Water Resources	710,516	59.48	562,262	51.32	561,000	47.21	363,900	44.01	390,152	36.85
Others	72,000	6.03	–	–	–	–	–	–	–	–
TOTAL	1,194,518	100.00	1,095,532	100.00	1,188,299	100.00	826,836	100.00	1,058,750	100.00

Source: Federal Government Recurrent and Capital Estimates. (Various issues).

Table 13: Imports by SITC Sections, Nigeria, 1973–80

Section	Imports (₦ Million) In:							
	1973	1974	1975	1976	1977	1978	1979	1980
Food and Live Animals	126.2	154.8	297.9	440.9	736.4	1020.7	766.5	1091.0
1. Beverages and Tobacco	5.2	9.0	48.0	64.0	133.4	70.7	49.8	67.3
2. Crude Materials	27.0	63.7	73.7	78.9	78.5	108.4	112.1	135.2
3. Mineral Fuels	13.5	55.4	100.2	175.0	128.6	174.6	206.8	241.5
4. Animals and Vegetable Oils and Fats	1.4	3.6	8.9	24.7	47.0	73.3	52.3	77.3
5. Chemicals	133.4	191.0	333.2	397.0	498.4	647.9	540.3	734.0
6. Manufactured Goods	323.9	523.4	1008.0	1136.2	1565.1	1850.3	1524.1	2076.5
8. Miscellaneous Manufactured actitivies	94.2	114.0	278.2	371.8	510.3	664.5	414.8	666.4
9. Miscellaneous Transactions (Unclassified	8.6	10.6	11.5	15.3	9.0	13.8	14.3	20.3
TOTAL	1224.8	1737.3	3721.5	5148.5	7093.7	8211.7	7472.5	9658.1
Food and Live Animals as % of TOTAL	10.30	8.91	8.00	8.56	10.38	12.43	10.26	11.30
Index of Food Imports (1973 Base Year = 100)	100	123	236	349	584	809	607	865
Index of Total Imports (1973 Base Year = 100)	100	142	304	420	579	670	610	786

Source: Original Data from Central Bank of Nigeria, Annual Report and Statement of Accounts, 1975, 1976, 1977, 1978, 1979, 1980 Issues.

TABLE 14

An Inventory of Institutional arrangements for Agriculture and Rural Development, Selected States of Nigeria, Selected Years

	EXISTING INSTITUTIONS FOR RURAL DEVELOPMENT		
State/Year	**Institution**	**Details of Rural Development activities**	**Remarks**
OYO (1977/78)	Ministry of Agriculture and Natural Resources	Programmes: 1. Farm inputs, infrastructure and rural institutions	1. No explicit reference to rural development
(1983)	Ministry of Agriculture and Natural Resources.	1. Agricultural inputs and services unit 2. Oyo North Agritural Development Project (ONADEP).	2. Little rural rural development concerns
ANAMBRA (1977/78)	Ministry of Agriculture and Natural Resources	1. Young Farmers Club programmes. 2. Rural Agricultural Home Economics programme unit.	Sparing interests in rural development. Some relevant references to "Rural development" in 1981.
(1981)	1. Ministry of Agriculture	1. Young Farmers Club programme. 2. Rural Agricultural Women Programme.	
	2. Ministry of Food Production.	1. Integrated Rural Agricultural Development Project. 2. Rural Produce Storage	

EXISTING INSTITUTIONS FOR RURAL DEVELOPMENT

State/Year	Institution	Details of Rural Development activities	Remarks
	3. Ministry of Government, Local Goverment, Rural Development and Chieftaincy matters.	1. Village integration and settlement 2. Building of modern markets in LGAs.	
KADUNA (1976/77)	1. Ministry off Agriculture. 2. Ministry of Animal and Forest Resources. 3. Ministry of Local Government. 4. Ministry of Social Development.	Various rural development projects scattered within these ministries.	No specific mention of rural development.
KWARA (1981)	1. Ministry of Agriculture and Natural Resources. 2. Ministry of Rural Development and Water Resources.	Clear statements of Rural Development objectives.	Explicit statements of rural development intentions both in 1981 and 1982.
(1985)	1. Ministry of Agriculture and Natural Resources. 2. Ministry of Local Government and Rural Development		

EXISTING INSTITUTIONS FOR RURAL DEVELOPMENT

State/Year	Institution	Details of Rural Development activities	Remarks
BENUE (1981)	1. Ministry of Agriculture. 2. Ministry of Animal and Forest Resources. 3. Ministry of Health and Social Welfare.	Elements of rural development scattered into various ministries.	Nebulous Rural Development ideas.
ONDO (1977/78)	Ministry of Agriculure and Natural Resources	Farm Inputs, INfrastructure and Rural institutions (a budget programme).	Some rural development concerns.
(1982)	Ministry of Agriculture and Rural Development.	Programmes: 1. Ekiti/ Akoko ADP 2. Rural Institutions (Farm settlement).	
RIVERS (1975/76	1. Ministry of Agriculture, Fisheries and Resources. 2. Ministry of Rural Development and Social Welfare.	1. Rural Development Division 2. Rural Crat Centres. 3. Rural Water Supply. section.	Clear rural development objectives.
BENDEL (1981)	1. Ministry of Agriculture and Natural Resources. 2. Ministry of Urban and Rural Integrated Development and Housing	Capital Expenditure heads: 1. Rural electrification. 2. Integrated Rural Development.	Well-meaning and explicit rural development objective.

EXISTING INSTITUTIONS FOR RURAL DEVELOPMENT

State/Year	Institution	Details of Rural Development activities	Remarks
LAGOS (1977/78)	Ministry of Agriculture and Natural Resources.	1. Farm settlement maintenance (a budget sub-head)	Little rural development concern.
1983	1. Ministry of Agriculture, Cooperative and Parastatals.	1. Integrated Rural Development DIvision	Integrated rural development approach.
	2. Ministry of Sports, Youth and Social Welfare.	Integrated Rural Development programme.	
BORNO (19/9/80)	1. Ministry of Natural Resources. 2. Ministry of Local Government and Social Development.	Fragmentss of rural development aims in various ministries and projects/ programmes.	Uniformed rural development aspirations.
CROSS RIVER (1979/80)	Ministry of Agriculture and Natural Resources		No observable rural development interests.
NIGERIA (1976/77	1. Ministry of Agriculture and Rural Development.	*Rural development as an element of "special Agricultural Development" in the form of the early ADPS etc.	Rural Development ideas not fully in place yet.
(1983)	Ministry of Agriculture	*With a Rural Development Division.	Giant strides in rural development.