

From Agriculture to Petroleum Oil Production: What Has Changed about Nigeria's Rural Development?

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Rural development in Nigeria has been at the core of public policies over the past ten decades beginning from the colonial up to the post-independence arrangements. The main objective of the study was to make a comparative assessment of the practical impact of long years of policy practice produced on Nigeria's rural areas within the context of two distinguishing economic periods characterized by agricultural production and petroleum oil exploration. The study used a range of secondary materials including the review of relevant literature, analysis of development policy documents, national development plans, local publications and discussions with relevant experts and academics as a way of gaining ideas and opinion to support discussions. The results showed that rural development in Nigeria has not been successful whether viewed from the perspectives of agricultural development or oil resource exploration. While a number of factors such as political instability, corruption and long years of colonial exploitation have been discussed as important factors that work against rural transformation, the paper argues that rural development in Nigeria over the years has not been a conscious policy practice; but largely subsumed under various sectorial and infrastructural policies. The implication of these findings is that the challenge of developing Nigeria's rural areas does not lie on the various agricultural development policies discussed neither does it depend on the exploration of oil resources. The challenge of leadership, absence of institutional capacity and political commitments are the main factors working against the development of rural areas.

Keywords: rural development, agricultural production, oil resource exploration, Nigeria

Introduction

The idea of developing the rural areas has been around for over 60 years. The linking of rural areas with 'remoteness' (often characterized by less opportunity) presents the necessary discursive framework for development interest and concerns. Conway (1997) in his writing on 'the doubly Green Revolution' captured the spatial and socio-economic senses for which the rural areas are known as follows: 'the majority of the rural poor live in areas that are resource poor, highly heterogeneous, and risk prone. They inhabit the impoverished lands of north-east Brazil, the low rainfall Savannas and desert margins of the Sahel, the outer Islands of the Philippines and Indonesia, the shifting deltas of Bangladesh, and the highlands of northern south Asia and the Andes of Latin America. The worst poverty is often located in arid or semi-arid zones or in steep hill-slope areas that are ecologically vulnerable. There the poor are isolated in every sense. They have meager holdings or access to land, little or no capital and few opportunities for off-farm employment. Labour demand is often seasonal and insecure. Extension services are few and far between, and research aimed specifically at their needs is sparse' (ODI, 2002).

These background characteristics gave rise to the emergence of several agriculturally-based models as early as in the 1950s, to include small farm development, community development, intensive agricultural development, integrated rural development, livelihood approaches, and a variety of participatory policies. Ashley and Maxwell (2001) observed that the evolution of mainstream policy on rural development is located on two axes-representing the balance between productive sectors and social sectors, and between state and market. For instance, in the 1960s the green revolution was associated with large-scale state investment in infrastructure, research, and support for adoption of new technology. In the 1970s, budget priorities shifted somewhat to the social investments required by integrated rural development programmes. In the 1980s came the structural adjustment where public sector institutions were trimmed and budgets cut, while the 1990s witnessed an upsurge of interest in poverty reduction.

Interest in rural poverty reduction and improvement of the general well-being of its people has come to occupy the centre-stage of most rural development policies. The ODI briefing paper (2002) in its opening introduction justified such policy concern in the following observations which ended with a question:

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'rural development should be central to poverty reduction. Three quarters of 1.2 billion people surviving on less than one dollar a day live and work in rural areas. Rural people are twice as likely to be poor as urban counterparts. However, rural development faces a loss of confidence: funding has been falling, and governments and donors are scrambling to think policy. What new directions should rural development policy take?' Some consensus have been built in the literature emphasizing the role of agriculture in catalyzing the development of rural areas (Sotte, 2003; Mustapha & Meagher, 2000). Given its characteristic agrarian nature, rural areas fit the label as agricultural areas. They have abundant and cheap land, where most people spend their working time on farms. Improving agriculture in such context has the potential of multiplying benefits not only to the individual farmers, the wider economy also benefits from increased spending, greater tax revenue, more investment in infrastructure, and a stronger foreign exchange position (ODI, 2002).

In Africa, rural development has been historically linked to the development of agriculture and the exploitation of natural resources. This idea of agriculture and resource-centred development has dominated most public policies of rural development. How consistent are these policies and what impact do they have on the general rural spaces? This paper sets out to address these questions and related ones in Nigeria. Nigeria is a particularly suitable context, not only because of its high rural population (World Bank, 2011, puts Nigeria's rural population at over 51.6%), agriculture and petroleum oil exploration have, at various times, played various roles in rural development practice. While agriculture dictated the pace of Nigeria's economy from the colonial to the early period of post-independence, the 1970s witnessed intensified exploration of petroleum oil resources. Between agricultural development and the exploration of petroleum resources, what has been the developmental impact on the rural areas? This paper sets out to address this question.

Nigeria: General Socio-Economic Background and Research Methods

A great majority of Nigeria's population resides in the rural areas. For instance, the 1963 Census recorded 80.7% of the national population as rural residents. By 1985, the proportion had slightly gone down to 70.13% and was estimated that a further drop to 69% in the proportion was expected in the 1990s (Muoghalu, 1992). In 2005, it was estimated that 53% of the Nigerian populace resides in the rural areas (World Development Reports, 2005) and in 2011, the world Bank reports recorded 51.6% of Nigeria's rural population. The

general consensus seems to be that the rural areas in Nigeria are very heavily populated. Agriculture is the mainstay of the economy, contributing about 45 per cent of GDP. The agriculture sector employs about two-thirds of the country's total labour force and provides a livelihood for about 90 per cent of the rural population. Nigeria is the world's largest producer of cassava, yam and cowpea – all staple foods in sub-Saharan Africa. It is also a major producer of fish. Yet it is a food-deficit nation and imports large amounts of grain, livestock products and fish. Apart from serving as the agricultural base for the country, the rural areas constitute the major sources of capital formation as well as huge market areas for domestic manufactures (Olatunbosun, 1975; Abdu and Marshall, 1990; Olayiwola & Adeleye, 2005). Indeed, the rural areas are involved in a whole lot of primary economic activities that are important in sustaining the entire Nigerian economic system.

Despite Nigeria's plentiful agricultural resources and oil wealth, poverty is widespread in the country and has increased since the late 1990s. Over 70 per cent of Nigerians are now classified as poor, and 35 per cent of them live in absolute poverty (IFAD, 2011). Poverty is especially severe in rural areas, where up to 80 per cent of the population lives below the poverty line and social services and infrastructure are limited. The country's poor rural women and men depend on agriculture for food and income. About 90 per cent of Nigeria's food is produced by small-scale farmers who cultivate small plots of land and depend on rainfall rather than irrigation systems. Surveys show that 44 per cent of male farmers and 72 per cent of female farmers across the country cultivate less than 1 hectare of land per household (IFAD, 2011). This implies that Women play a major role in the production, processing and marketing of food crops. The poorest groups eke out a subsistence living but often go short of food, particularly during the pre-harvest period. The productivity of the rural population is also hindered by ill health, particularly HIV/AIDS, tuberculosis and malaria. Women and households headed solely by women are often the most chronically poor groups within rural communities. Men have higher social status and as a result have more access to schooling and training. But women play significant roles in rural economic activities. Over recent decades the number of men migrating from rural areas in search of employment has increased, and the number of households headed solely by women has grown substantially.

Rural infrastructure in Nigeria has long been neglected. Investments in health, education and water supply have been focused largely on the cities. As a result, the rural population has extremely limited access to services such as schools and health centres, and about half of the

population lacks access to safe drinking water. Neglect of rural infrastructure affects the profitability of agricultural production. The lack of rural roads impedes the marketing of agricultural commodities, prevents farmers from selling their produce at reasonable prices, and leads to spoilage. Limited accessibility cuts small-scale farmers off from sources of inputs, equipment and new technology and this keeps yields low. As the population swells and puts pressure on diminishing resources, escalating environmental problems further threaten food production. Land degradation as a result of extensive agriculture, deforestation and overgrazing is already severe in many parts of the country. Drought has become common in the north, and erosion provoked by heavy rains, floods and oil pollution is a major problem in the south and south-east. Poverty and violence are often closely interconnected. Religious and ethnic tensions continue to brew in different parts of Nigeria, erupting into outbreaks of violence and leading in turn to a situation of escalating poverty and malnutrition. The move towards political liberalization has allowed militants from religious and ethnic groups to express their frustrations more freely, and with increasing violence. Thousands have died over the past years in clashes between different groups. In the Niger Delta, where the oil industry is based, civil unrest and tensions and disputes over recognition and reward systems have resulted in conflicts (Akpan & Akpabio, 2003).

Despite the fundamental contributions to the national economy, the rural areas are not attractive to live in given the general absence of basic infrastructure (potable water, roads, electricity, healthcare systems, and financial institutions, among several others) and poor quality of life occasioned by persistent poverty. The rural people have low purchasing power and standard of living. Attempts at solving the rural problems had been the concern of the governments over the years. Consequently, several agrarian policies and programmes were introduced to address the challenges of rural development. These include Operation Feed the Nation (OFN); the National Accelerated Food Production Programme (NAFPP) and the Directorate for Food, Roads and Rural Infrastructure (DFRRI), among others. With the emergence of oil and flow of oil revenue, agrarian-led development intervention became increasingly de-emphasized in preference for public investment in public utilities and infrastructures. A change from agrarian to petroleum resource-based economy would imply some changes in policies and programmes for the development of rural areas. The question then is to what extent, and in what form and direction, have such changes impacted on rural development policies and practices in Nigeria? In carrying out this study, a wide range of secondary materials including the review of

relevant literature, analysis of national development plans, policy documents, local publications and discussions with relevant experts and academics as a way of gaining ideas and opinion were used to support discussions. The paper is divided into sections. Following this background discussions, the next section discusses the various versions of public infrastructural commitments to rural development in Nigeria from pre-independence to post-independence to assess what changes and impact they had on rural development within the context of agrarian and non-agrarian public development interventions. The fourth section makes a comparative analysis of rural development practices within the contexts of agrarian and petroleum-based economies. This is followed by summary and conclusions.

Rural Development Practice in Nigeria: A Historical Perspective

Nigeria as a geo-political entity has existed for close to ten decades beginning from 1914 when the northern and southern Nigeria was formally amalgamated by the British colonial masters. Although no clear quantitative data is available, several scholarly literatures suggest that Nigeria at pre-independence was dominantly rural which depended on agricultural practices for subsistence and exchanges. Roger Blench (2003) captured the real state of Nigeria's rural areas in colonial times as follows: 'in colonial times access was so problematic and information systems so underdeveloped that rural citizens were hardly able to articulate even major issues....' (p.7). British colonial interest in rural Nigeria was characterized by two-prong exploitation. In the first place, the rural areas were available only as primary resource areas for export of raw materials. The second level of exploitation saw the rural areas as food productive centres for the few urban centers which eventually were to serve the basic food needs of the colonial inhabitants.

The colonial government township ordinance Act promulgated in 1917 dictated the developmental course of the rural areas when it classified settlements into first, second and third class for the purpose of infrastructural provision. The first class settlements were mostly foreignized by the white Europeans and their workers. Consequently, such settlements were the focus of heavy infrastructural concentration, and Lagos represented the classic example of such discriminatory infrastructural concentration. On the other hand, the second and the third class settlements were not given adequate policy attention in infrastructural provision. The establishment of local government councils in Western Nigeria which were initially seen as avenues for expanding infrastructural facilities to the rural areas could not

answer the question of coverage because of insufficient fund allocations (Olayiwola & Adeleye, 2005).

What later passed as rural development initiatives in Nigeria's colonial period could be located in 1945 during which the colonial development and welfare Act was introduced. This, according to Iwuagwu (2006) came with a 'Ten Year Plan of Development and Welfare', with the idea being to develop all avenues that could facilitate colonial exploitation of local resources. Consequently, research institutes and marketing boards were established to improve production of crops as well as handle storage and marketing of export crops respectively. The Nigerian Cocoa Marketing Board was established in 1947 while other marketing boards for cotton, groundnuts and oil palm were set up in 1949. As it turned out, these marketing boards were more at the service of the colonial interest of local resource exploitation, which ended up impoverishing the rural sources of economic capital through commodity price distortion and excessive taxation.

The 1946-1956 development plan was regionalized in 1954 when the Littleton constitution was proclaimed. Such regionalization paved way for decentralized planning in which the various regional political entities were consequently empowered to evolve and implement appropriate development plans within their respective jurisdictional areas. As an outcome, a new development plan period that was to run between 1955 and 1960 was evolved. One common trend of rural development plans at pre-independence period was a single emphasis on agricultural development and productivity. In contemporary times, it is commonly known fact that while the rural areas are still described as synonymous with peasant and subsistent agriculture (Onokerhoraye, 1978; Udeh, 1989; Abdu & Marshall, 1990; Filani, 1993; Iwuagwu, 2006; Saheed, 2010), it is equally seen as synonymous with absence of basic infrastructural facilities such as sanitation, electricity, pipe-born water, good roads and health care services.

Post-independence rural development strategies in Nigeria were articulated under the various national development plans namely, the first national development plan (1962-1968); second national development plan (1970-1974); the third national development plan (1975-1980); the fourth national development plan (1985-1990).

The major objective of Nigeria's first national development plan was to maintain and, if possible, to surpass the average rate of growth of 4% per year of its gross domestic product at constant prices. To realize the aim, government planned a yearly investment of approximately 15% of Nigeria's gross national product. Given that agriculture was the major strength of Nigeria's economy, and which was largely identified with the

rural areas, policy attention and governmental investment in it were seen as direct and indirect avenues of developing the rural areas. Using agriculture to develop the rural areas was, therefore, at the top of Nigeria's first national development plan agenda. According to Saheed (2010), interest in rural development owed much to a number of events which had their origin in the colonial heritage and the unanticipated oil boom of the seventies. The author classified such driving factors to include massive rural-urban drift of able-bodied young men and women, declining productivity in agriculture, increasing food imports, growing unemployment and the widening gap in welfare terms between the urban and rural areas. Despite this policy effort at developing agriculture, and by implication the rural areas, the first national plan was more of an extended colonial policy and practice of exploitation. Abass (1993) argues that under the first national development plan period, peasant farmers were further squeezed to produce cash crops, at the expense of the subsistence crops, for export. The plan itself did not articulate any clear statement or policy on rural infrastructural development. Rather, emphasis was placed on encouraging the assemblage of agricultural produce for export purpose, without strengthening the real agricultural base of the country by providing necessary infrastructures such as good road network, electricity, agricultural processing facilities, and water, among several others.

The second national development plan (1970-1974) came as the post-civil war development initiatives. It was also during this plan period that Nigeria had the 'phenomenon of oil resource boom'. Fundamentally, the plan was aimed at: a) building a united, strong and self-reliant nation; b) building a great and dynamic economy; c) building a just and egalitarian society; d) building a land of bright and full opportunities and; e) building a free and democratic society. The plan placed high priority on reducing the level of inequality among the social classes and between urban and rural areas. One important feature of the second national development plan as observed by Marcellus (2009) was its democratic content, having emerged from a participatory process that involved stakeholders at every level of governance. Although its primary focus was not about rural development, the plan's intention of building a just and egalitarian society suggested holistic development whereby every segment of the Nigerian space and population were to be covered. These ideals were not realized principally owing to the phenomenon of 'oil boom', which ended up diluting every attention and commitment at mobilizing material and human resources for the achievement of the primal objective of building an egalitarian and self-reliant society. 'oil boom' soon translated into struggle for 'oil rents' which led to massive corruption at every

levels of governance. Huge spending and import of food characterized the state activity while agriculture that served as the mainstay of the economy was relegated to the background. Given the consistent synonymy of agriculture with rural development in Nigeria, government massive dependence on oil revenue during this period meant that all policies on rural development could no longer be on the agenda of government. Olayiwola and Adeleye (2005) argued that although it was stated in the plan that government was committed to spending #500,000 for village regrouping, such projection was perhaps to reduce the cost of providing economic and social infrastructure such as health, electricity, water and educational facilities for the rural areas.

In the third national development plan (1975-1980), rural development was revisited based on government conviction that such investment will contribute in closing the yawning gap between the demand for food and the supply capacity of the home-based industries. Consequently, government developed interest in modernizing agriculture and introducing new initiatives to strengthen the agricultural and food base of the nation. Although the objectives of the plan looked similar to those of the second national development plan, there was a significant and radical approach as the plan emphasized the need to reduce regional disparities in order to foster national unity through the adoption of integrated rural development. Increased budgetary allocations was provided to fund diverse and interrelated rural development sectors as the provision for nationwide rural electrification scheme; the establishment of agricultural development projects (ADPs); the establishment of nine river basin development authorities (RBDAs); the construction of small dams and boreholes for rural water supply and the clearing of feeder roads for the evacuation of agricultural produce; the supply of electricity to rural areas from large irrigation dams; commitment of resources to large scale mechanized state farming enterprises; the introduction of Operation Feed the Nation (OFN) campaign and the Green Revolution and; public efforts at land reforms through the Land Use Act of 1978.

From the first to the third national development plans, there was observable progressive budgetary improvement to enhance agricultural productivity. Olorunfemi and Adesina (1998) reported increasing financial allocation for agricultural development as follows: first national development plan had a total financial allocation of #30,835,000; second national development plan was allocated a total amount of #71,447,000; while the third national development plan had the highest allocation of #2,201,373,000 for agricultural development. Investment in rural agricultural sector is one component that could catalyze substantive

improvement in individual capabilities. However, such lopsided development interest was not enough for transforming rural areas without corresponding investment in rural infrastructures such as roads, electricity, and healthcare, among several others.

The Fourth National Development Plan (1980-1985) came with several distinguishing features. First, it was formulated by a civilian government under a new constitution based on the presidential system of government. Second, it was the first plan in which the local government tier was allowed to participate fully in its own right (FGN, 1981). The plan emphasized among other things the need for balanced development of the different sectors of the economy as well as the various geographical areas of the country. It emphasized the importance of rural infrastructural development as a vehicle for enhancing the quality of rural life. The period saw improved budgeting to the eleven River Basin Development Authorities whose functions include among other things, the construction of boreholes, dams, feeder roads and jetties. In this case the RBDAs was, to a large extent, empowered to develop the rural areas by opening up feeder roads, drilling boreholes and wells, building farm service centres and earth dams, among several others. This period saw increasing participation of all tiers and levels of governments in rural development activities especially in the areas of roads construction, healthcare services, and electricity provision, water supply etc. According to Filani (1993), 'the 1981-1985 national development plan marked a turning point in rural development efforts in Nigeria because it was the first to recognize the rural sector as a priority area. It made provision for integrated packages such as the infrastructure, institutional and administrative apparatus to facilitate rapid development of the country's agricultural potential' (p. 250). The author observed that increase of 12% specific allocation to agriculture and rural development over 5% in the 1962-1968 plan represented significant political commitment to rural development practice.

The post-Fourth plan period (1986-1998) did not feature articulated development plan. However, key programmes and policies such the structural adjustment programme¹ (SAP) and the vision 2010 were prominent. The structural adjustment programme, for instance, witnessed the establishment of the Directorate for Food, Roads and Rural Infrastructure (DFRRI) in 1985 for the purpose of providing rural infrastructures in the country side. The laws establishing the Directorate was promulgated under decree number four of 1987. The core of the Directorate's programme was to promote productive activities. Besides, the Directorate recognized the provision of rural infrastructure such as feeder roads, water, electricity and housing as essential for the enhancement of the quality of life in the rural areas. On the other hand,

the Vision 2010 was framed under the then General Sani Abacha. The Vision 2010 Committee made large scale recommendations for rural transformation. The recommendations emphasized on massive rural infrastructural intervention on the one hand, and agricultural transformation on the other hand (Vision 2010, 1997). Under the rural infrastructural development, the framework of the RBDAs were to be used in building small and large scale dams, irrigation channels, boreholes, dykes, flood and erosion projects, among others. The policy orientation was laid out in the National Rolling Plan (1996-1998), vol. 1. According to Mustapha and Meagher (2000), other important agencies such as Agricultural Development Programmes (ADPs), National Agricultural Land Development Authority (NALDA) and Federal Department of Agriculture (FDA) were to be utilized to develop hectares of farmlands, produce tonnes of seedlings and rehabilitate rural roads, among several others. The Vision 2010 could not survive following the death of the then General Sani Abacha.

Subsequent efforts at rural development came in the light of Nigeria's democratic dispensation (1999-to date). A four-year development plan was initially articulated (1999-2003) with the objective of pursuing a strong, virile and broad-based economy that is highly competitive, responsive to incentives, private sector-led, diversified, market-oriented and open, but based on internal momentum for its growth (Marcellus, 2009 cites Donli, 2004). Emphasis on private sector-led growth did not carry sufficient message for rural development. As the prospect of achieving the intended objective of the plan did not materialize, a re-think was therefore necessary. When the ruling party (the People's Democratic Party-PDP) got re-elected in 2003, they came up with a new programme namely, the National Economic Empowerment and Development Strategy (NEEDS: 2003-2007). NEEDS was quite comprehensive and ambitious, as it was not only duplicated at all levels of governments (State Economic Empowerment and Development Strategy-SEEDS; and Local Economic Empowerment and Development Strategy-LEEDS), it incorporated the private sector, non-governmental organization and the general public in pursuits of its developmental goals. As a framework for poverty reduction and for the stimulation of economic growth, NEEDS' key objective was to facilitate a broad-based market oriented economy that will involve active participation of the private sector, with the main source of economic empowerment coming from the generation of gainful employment opportunities as well as the provision of social safety nets for vulnerable groups. By attempting to empower the rural populace, NEEDS had a substantive vision of eliminating rural poverty and promoting the development of the rural space.

In all perspectives, it is clear from the above analyses that Nigeria's rural development practice has been historically shaped by the political-economic circumstances prevailing at a particular period of its development. The agrarian factor of the colonial and early independence periods and; the emergence of oil exploration in the 1970s have been critical in dictating the course of rural transformation and change. The next section discusses in details the contents and possible variables that have influenced rural development practice and change within the contexts of agrarian and oil-led economies that have characterized Nigeria's history.

Nigeria's Rural Development: From Agrarian to Oil Boom

The evolution of rural development practice in Nigeria can be seen both from the perspectives of agrarian-centred economic activity (colonial-pre-1970) and oil-led growth (1970s to date). In the first instance, colonial Nigeria's economic activities were mostly peasant-based with major regionally-based export commodities such as cocoa in the West, oil palm production in the East, and groundnuts and cotton in the North. Such regional specialization presented remarkable opportunities that were harnessed by the colonial State to enhance the survival of the central government (through direct taxation and forced cultivation) as well as facilitate the export of basic foods and raw materials (through the Marketing Boards and corporations). While agriculture was at the center of both household food subsistence and national exchange (Ahazuema & Falola, 1987 reported that the plantation agriculture accounted for about 70% of Nigeria's total export in colonial times), the rural areas consequently played host to what Watt (1983) described as 'forced cultivation and expanded operations by European merchant firms-to induce peasant producers to expand their output of those export commodities required by the British industrial capital (cited in Watt and Bassett, 1986: p.106). The Nigerian colonial economy, which was mostly rural-based, was heavily structured to enhance the economic success of the colonizing powers, in a manner that subjected peasant farmers to exploitative relations mediated by notable British companies such as United Africa Company, John Holt, Paterson and Zochonis (PZ) and Lever Brothers (see Ajayi, 1999 as cited in Shokpeka & Nwaokocha, 2009).

The emergence of such regional and rural-based agricultural activities had important effect of local labour mobilization. Able-bodied men and women assumed various roles in productive agricultural activities, not only to serve their food needs, they filled the commercial and mercantile interest of the colonial masters. Rather than

contribute in developing the rural areas, such system of exploitative economic relations (largely achieved through the superior military, fiscal and political capabilities of the centralized colonial state) fostered intense accumulation of rural resources and subsequent transfer of its wealth to the urban British elites as well as the countries of the colonizing power. There was no commensurate investments in rural infrastructures except direct infrastructures that were aimed at promoting the British colonial interest.

The colonial agricultural development policies and strategies remained relevant in the post-independence Nigeria upto the early 1970s. Olorunfemi and Adesina (1998) had argued that agriculture assumed the centre-stage of Nigeria's economy in the decade 1960-1970, when it was nationally reckoned and utilized as the major income earner for both the people and the government. Besides supplying local food needs for the population, the production of such cash crops as cocoa, groundnuts, palm produce etc. were regionally strengthened as the major sources of Nigeria's foreign exchange earnings. Given that the greater percentage of agricultural activities in Nigeria takes place in the rural areas, the early post-independence rural development practice were mostly centering on agrarian production and development in contents, policies and practices. In this case, the rural areas still served as major centres for resource extraction for foreign exchange earnings, national income and urban development. There was absolutely no conscious efforts at transforming the rural areas beyond investment in agriculture and agriculture-based infrastructures. While the State could not use agricultural development in transforming the rural livelihoods, agriculture itself was important and natural livelihood facts that sustained the rural population in employment, food, income as well as serving as a bridge in fostering social relations. These socio-economic and livelihood realities have been structurally internalized and reproduced across generations and regions. In the argument of Watts and Bassett (1986:107), '...after a half-century of colonialism the contours of Nigerian rural life in the 1960s remained stubbornly intact. However, the resilience of some aspects of peasant social relations often obscures the fact that ...commodity production had become internalized in the cycle of household reproduction of Nigerian producers, signifying that quite important changes had indeed occurred in patterns of differentiation and surplus extraction' (also cited Bernstein, 1979).

The emergence of petroleum oil production in the 1970s significantly altered the structure of the

Nigerian economy and consequently led to a new political-economic orientation as the national wealth was expanded with new opportunities for rent-seeking behaviours. 'oil boom' soon changed the structure of state-society relations with the emergence of highly centralized state administrative structure (e.g., Lagos and later Abuja) as well as new centres of urbanization (Port Harcourt, Warri, Lagos, Kaduna, Ibadan, etc). New States were politically created (from 12 to 19 States between 1970 and 1980) with new capitals as new urban centres. The proliferation of States subsequently led to the emergence of many administrative and economic institutions which increasingly depended on federal allocation, which itself depended on the continued flow of oil revenue. Watts and Bassett (1986, citing Amuzegar, 1983) argued that Nigeria's 'oil boom', not only consolidated central power, it led to a phenomenal rise in the federal government revenue. For instance between 1970 and 1980, the average rate of growth of federal revenue was 26 percent per annum and the average annual rate of growth of expenditures and net loans over the same period was 21 percent (Amuzegar, 1983, pp. 44-46).

The greatest impact of Nigeria's 'oil boom' manifested more in the agricultural sector than any other. While Nigeria had attained some level of self-sufficiency in staple food production in the first decade of political independence, by 1980 and onward, Nigeria slided into the position of being the largest food importer in Africa. According to Watts and Bassett (1986:110) agricultural export production had effectively collapsed by the mid-1970s, food production stagnated, food imports grew by 700 percent and real food output per capita over the period 1970-1978 fell by 1.5 percent annum. Per capita food production in 1981 was 18 percent below that of 1967-1970 (the authors cited Hunt and D' Silva, 1981:2). The emergence of such programmes (1975-1980) as the Agricultural Development Projects (ADPs), the River Basin Development Authorities (RBDAs), Operation Feed the Nation (OFN) and small dam projects did not produce meaningful impact because of poor and declining public investments. Watts and Bassett (1986) reported that the period between 1971 and 1981 witnessed a percentage decline in the total expenditures on agriculture and infrastructures from 7 percent and 31 percent to 4 percent and 24 percent respectively. While the agricultural sector dominated Nigeria's export economy prior to the 1970s, the situation was not the same from 1970s onward as the percentage of total agricultural exports consistently declined to an all-time low of 2.6 in 1980 (Table 1).

Table 1. Contribution of agriculture to Nigeria's export earnings (1970-1980).

| Year | Total export (in million Naira) | Major agricultural export value (in million Naira) | % of total agricultural export value (in million Naira) |
|------|------------------------------------|---|--|
| 1970 | 885.4 | 265.2 | 30.2 |
| 1971 | 1,293.4 | 244.8 | 19.0 |
| 1972 | 1,434.2 | 172.0 | 12.0 |
| 1973 | 2,278.4 | 250.1 | 10.0 |
| 1974 | 5,749.8 | 276.0 | 4.7 |
| 1975 | 4,925.5 | 230.6 | 4.7 |
| 1976 | 6,709.8 | 274.2 | 4.1 |
| 1977 | 7,630.7 | 437.7 | 5.7 |
| 1978 | 6,064.4 | 444.2 | 7.3 |
| 1979 | 10,836.8 | 495.6 | 4.6 |
| 1980 | 14,077.0 | 365.5 | 2.6 |

Source: Central Bank of Nigeria annual reports (cited in Olorunfemi & Adesina (1998)).

The emergence of new urban centres of economic and informal activities initiated and sustained the phenomenon of rural-urban drift. As 'oil monies' were mostly spent in the development of urban centres, many young and able-bodied men were soon attracted to the cities and towns in search of employment opportunities and consequently improve and enhance their chances and prospect of benefitting from the nation's oil wealth. Such large-scale and unprecedented drift to the urban areas has numerous socio-economic and environmental effect as Watts and Bassett (1986, p.109) observed: 'rapid and unplanned urban growth, a commodity boom of unprecedented proportions and a sort of anarchistic squalor were the most compelling characteristics of the oil years in Nigeria. Port Harcourt mushroomed from 200,000 in 1969 to 800,000 in 1977; Warri and Lagos grew even faster. At the height of construction boom, cities such as Kano, Warri or Ibadan had an untamed frontier quality to them. Universities, hospitals, freeways and airports moved ahead with chaotic abandon that the internal demand for cement constantly outstripped supply. The impact of rural-urban migration and consequent labour shortage in the rural areas created difficulties in gaining access to labour especially when public interventions in the form of ADPs, RBDAs, OFN, etc. were to be implemented.

Oil boom equally led to intensified rent-seeking behaviours among the elite and political class. This led to the emergence of diverse class structures and a type of competition described by Watts and Bassett (1986) as structured by patrimonialism and clientelism. Accumulation of oil wealth moved hand in hand with competition and struggle for power. These heralded and consolidated a system of regime instability characterized by military interventions and hegemony through coups and counter-coups. No doubt, frequent changes in regimes, in most cases dictated the survival and longevity of rural development policies in Nigeria.

Summary and Conclusion

Clearly, Nigeria's rural development practice has passed through different stages of policy changes mostly dictated by the prevailing political-economic circumstances. Major phases of policy change have been reviewed under two major political-economic era: the pre-and post-independence; while regime changes played role in policy direction at various levels. The paper made an attempt to situate discussions within a historical context as a way of understanding and emphasizing marked changes in relation to prevailing political-economic relations as well as regime influences. Major discussions focused on rural transformation efforts within the contexts of agrarian-and oil resource-led economies. More emphasis were directed on policy and policy changes vis-à-vis their impact on rural development.

From the various discussions and analyses, rural development efforts of Nigeria's government did not come as a conscious policy practice. The contents of the various policies at colonial and post-independence periods showed that rural development mostly was discussed not as a developmental concern and agenda, but within the framework of sectoral and infrastructural policies. At pre-independence, most of what passed as rural development policies were subsumed under agricultural development policies which were purely designed to serve the colonial political-economic and mercantile interests. Although the policies had the indirect effect of mobilizing rural labour and capital as well as contributing to local food subsistence and employment, the post-independence period which saw the emergence of indigenous leaders did not harness such indirect potential into positive development given that key policies on rural development still assumed the exploitative character observed during the colonial period. Sectorial agricultural and infrastructural policies dominated rural development activities of government in all the post-independence military and civilian regimes. One important characteristic of

such policies was their short-lived nature: individual policy was limited to a particular regime and disappeared with the regime change. Consequently, whatever passed as rural development policies hardly assumed some consistency and stability in implementation.

Agrarian-led rural development policies were, however, distorted beginning from the early 1970s when petroleum oil resources started dictating the Nigerian economic growth. As discussed in the paper, this era had important impact on investment in agriculture and public infrastructures. While public investment in agriculture was increasing, in the real sense such investment did not produce any meaningful value when compared with the volume of revenue accruing to the economy by virtue of oil resources. Oil boom diverted public infrastructural attention and investment from the rural to urban with unintended effect of rural-urban drift and the consequent shortage of labour force for the agricultural sector. The problem of corruption and mismanagement of oil revenue ensured that public investments and priorities on rural development would not lead to any reasonable result. Today, the rural areas in Nigeria are not significantly different from the past. There is complete absence of infrastructures while agriculture is still practiced at subsistence level.

In conclusion, the paper has shown that rural development in Nigeria has not been successful whether viewed within the context of agricultural development, oil resource boom, colonial, post-colonial, military or civilian regimes. While the development of rural agriculture could have helped in transforming the rural areas over the long period, it is important to understand that agrarian led policies were purely framed not in the interest of developing the rural areas but for reasons of exploitation. The post-independence period offered a better chance of transforming the rural areas, such chance however were frittered away by corruption and frequent incidence of regime changes. The problem does not lie on agricultural development policies, it does not lie on oil resource exploration either, but depended on the leadership structure as well as absence of institutional capacity. These are the core of the problem that continue to under-develop the rural areas even under the current democratic dispensation.

Note

1. The structural adjustment programme which was conceived to stimulate domestic production processes carried the following objectives: a) to restructure and diversify the productive base of the economy in order to reduce dependency on the oil sector and on imports; b) to achieve fiscal and balance of payments viability over the period; c) to lay the basis for a sustainable non-inflationary growth; d) to reduce the dominance of unproductive investment in the public sector, improve that sector's efficiency and enhance the growth and potential of the

private sector (Phillips, 1987). The key policies designed to achieve these objectives were: i) strengthening of the hitherto strong and relevant demand management policies; ii) adoption of measures to stimulate domestic production and broaden the supply base of the economy; c) the setting up of a second-tier foreign exchange market (SFEM), as a mechanism of realistic exchange rate and consequently, the alteration of relative prices to enhance efficiency in resource allocation, and to promote domestic-based production and non-oil exports; d) further rationalization and restructuring of tariffs in order to aid industrial diversification; e) the liberalization of the external trade and payments system-dismantling of price, trade and exchange controls; f) the elimination of price controls and commodity boards; g) the decontrol of interest rates and; h) the rationalization and restructuring of public sector enterprises and overhauling of the public sector administrative structure.

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