

RIISING COST OF FOOD PRICES AND FOOD INSECURITY IN NIGERIA AND ITS IMPLICATION FOR POVERTY REDUCTION

**BY
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1 PREAMBLE

Trade liberalization stimulated the growth of export of agricultural commodities in Nigeria while its serious implementation lasted. As usual with the country, the implementation of trade liberalization policies relaxed with time. The boost in the agricultural export sector took a down turn and with the advent of democracy, massive imports of luxury goods began to dominate the economic scene. In essence, over the last 15 years, that is, since 1986, when the Structural Adjustment Programme (SAP) came into being, the nation had witnessed a gross neglect of the food production sector. As such when food prices began to rise significantly late last year, our response mechanisms were no longer existing, rather policy makers were reported to only think of food imports as the solution. The immediate question to that attempt is, what alternatives do we have? The simple answer is that we could produce some essential staples, which can lift Nigeria to a high level of self-sufficiency in food availability, It should be noted that, most Nigerian food crops would be ready for the table in less than one year. Consequently, I sincerely commend the organizers of this seminar as it is actually well positioned, given the fact that in the past 2 years, politicians have talked much about Poverty Alleviation Programme(PAP), Youth Employment Scheme (YES) and the need to increase food production but without concrete things to show for them. What pragmatic approaches can we then adopt to address the problems of food insecurity and poverty? Can we effectively curb rising cost of food? Is it possible to reverse increasing trends in food prices? Can Nigerians be food secure? This paper will attempt to provide answers to some of these questions, but will also raise some posers for the participants at this Seminar. For simplicity, all these will be done under the following sub-heads:

- Agricultural production and poverty in Nigeria;
- Major problems confronting Nigerian Agriculture;
- The problems of poverty and food insecurity;
- Cost of food and food prices in Nigeria;
Pragmatic
- approaches to poverty reduction and arresting the rising food prices

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II AGRICULTURAL PRODUCTION AND POVERTY IN NIGERIA

In an agrarian economy, the land as a unit for agricultural production provides the needed fulcrum upon which a sustainable development would blossom. Agricultural production till date remains the mainstay of the Nigerian economy. It is the main source of food for most of the population. It provides the means of livelihood for over 70 percent of the population, a major source of raw materials for the agro-allied industries and a potent source of the much needed foreign exchange (World Bank, 1998; Okumadewa, 1997). The agricultural sector in periods immediately after independence, performed creditably the roles highlighted above, to such an extent that the regional development witnessed during these period were linked directly to the sector. However, over the years, the sector has witnessed a tremendous decline in its contribution to national development. For an instance, the percentage of economically active population in Agriculture nose-dived to 50-52 percent in late 1990s. Development economists have in fact, attributed the present economic marasmic situation in Nigeria to the poor performance of the agricultural sector. The near eclipse of the sector in the era of oil boom (1972-1975), inconsistent and unfocussed government policies have been described as the fatal perturbations that rocked the boat of food security in Nigeria.

Much of the scholarly debate on agricultural growth and poverty in Nigeria have followed the general trend of regressing measures of poverty against agricultural output per head and a time trend (World Bank, 1996, Okumadewa, 1997). This is based on the knowledge of agricultural production landscape in Nigeria. The small – scale farmers that inundate the production landscape, produce about 85 percent of the total production (Okuneye, 1995). These resource poor farmers are also characterized by a strong dependence on agricultural labour market, little or no forms of savings or storage facilities and cultural practices adopted are highly labour intensive. The socio-economic and production characteristics of the farmers, inconsistent and unfocussed government policies, the poor infrastructural base, all interact in a synergism to asphyxiate the sector, resulting in low production, high prices of food items, inflation, underdevelopment and concomitant poverty. The place of agriculture in an agrarian society cannot be over-emphasized given its importance in the life of human beings. Agriculture is expected to ensure adequate supply of food to the people. Globally, there is enough food for all, but more than 780 million people are chronically undernourished (FAO, 1992). Millions of people in developing world simply cannot obtain the food they need for a healthy and productive life.

Similarly, agriculture is expected to produce a high level of agricultural raw materials for the industries, save the industry and the nation from high costs of importation, produce excess over and above the local demand (for food and raw materials) for export. Agriculture should continually generate employment for the people as well as a high level of returns for the farmers.

The Nigerian Agricultural System as elsewhere, consists of production, processing, storage, marketing, extension, research and training. While production is a result of the combined factors of land, labour, capital and entrepreneurship, its magnitude and efficiency from farm gate to the consumer depends on handling and preservation as well as the processes of making the products readily available and affordably consumable. Productivity, a form of efficiency with which the produce or commodity is obtained, is a function of the combination of research and the application of skill and is measured per unit of land, per unit of labour input or per unit of investment. Research addresses the issues of material, temporal and spatial constraints which is itself a function of skill acquisition and development through formal and informal training generally called education. It is obvious from this multi –factorial essence of agricultural production that it must be practiced with the deepest sense of national responsibility by way of sustainable policy environment, reliable policy instruments and professionally sound and stable institutional framework.

The performance of agriculture in Nigeria has been able to match the expectation ascribed to the sector in the development process. At independence, agriculture sustained in Nigeria economy and held the promise of a vibrant agrarian economy (Akande 1998). In fact, according to Adedipe (1999), agriculture contributed in the 1960/61, 67% of the Gross Domestic Product (GDP). In the 1999 – 2000, agriculture contributed between 40 –42 percent to the GDP. The Civil War (1967-70) and the emergence of petroleum in the early 1970s scuttled the production foundation of agriculture through lack of visionary planning for sustainable development.

The sector is yet to regain its central role in the economy. The misfortune is that, based on the voluminous human, material and financial resources expended on agriculture in the last 40 years, the country ought to have done much better to address the fight against the mysteries of poverty, hunger, malnutrition and ill-health.

III MAJOR PROBLEMS CONFRONTING NIGERIAN AGRICULTURE

It should be noted that agriculture has been beset by long standing problems impeding its productivity and contribution to national aggregate output. These problems can be grouped into:

- (a) **Infrastructural facilities**
 - (i) Poor feeder roads and inadequate road network between the rural areas where agricultural production mainly takes place and the urban areas;
 - (ii) Lack of appropriate on farm and off-farm storage facilities;
 - (iii) The rural electrification programmes in Nigeria have not fully taken off as the government battles with the supply of electricity in urban areas;

- (iv) Irrigation facilities are still very poor despite the existence of River Basin and Rural Development Authorities (RBRDA). For an instance, in Ogun

State, only 15 hectares of land were irrigated between 1997 and 1999 by Ogun-Osun RBRDA;

- (v) There are few or no health care facilities in the rural areas and hence a lot of man-days are lost to ill-health which could have been easily treated;
- (vi) Schools (primary and secondary) are few in the rural areas and hence the migration of youth to the urban areas, among other reasons.

(b) Manpower/Skill Development

- (i) The extension service delivery system still suffers from inadequate number of extension men/women. The few ones that are in place, lack mobility to improve on extension-farmer contact while women extensionists are few to handle gender issues;
- (ii) The frequency of extension message discovery is limited by poor research situations in Universities and Research Institutes;
- (iii) Shortage of experienced professional and technical manpower especially for tractorisation and mechanization, generally;
- (iv) Able-bodied people are leaving farming/rural areas. This has negative effects on labour availability, productivity and production. Hence the wage rates have increased (Table 6), thereby increasing the cost of food production and in turn food prices.

(c) Socio-cultural factors

- (i) The land tenure systems in the Southern part of Nigeria, limit land availability to would be farmers, women and the landless. Hence small and uneconomic holdings.
- (ii) Arising from religion, women's roles are limited to few activities and hence low returns and low family income.

(d) Economic factors

The main issues are as follows:

- (i) Prices of inputs: As shown in Table 7, the prices of fertilizer, herbicides, pesticides have risen astronomically. These have limited their adoption and subsequent impact on yield and production levels;
- (ii) Unavailability of inputs;

- (iii) Wage rates have increased in the rural areas over the years;

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- (iv) Lack of credit to farmers and hence limited farm size commensurate to what they can afford. When credit is available, the interest is high, thus increasing farmers' cost of production;
- (v) Low participation by the organized private sector in agriculture;
- (vi) Lack of good linkages between the farm sector and the industrial sector to generate a demand pull situation, which will propel high prices for industrial raw materials.

(b) Government/Regulatory Policies

- (i) There are numerous policies that are not supportive enough to agricultural transformation e.g. Land Use Act, Importation tariff, unprotective policies, etc.
- (ii) Frequent changes/abortion of policies which are not agricultural?
- (iii) Low investment on agriculture in terms of research, incentives to industries and banks to finance agriculture, capacity building, etc;
- (iv) Unsustainable extension service system;
- (v) Weak planning framework;

- (vi) Insufficient encouragement to foreign investors

(c) Environmental factors

- (i) High incidence of pests and diseases;
- (ii) Drought in some areas;
- (iii) Harsh weather which limits the number of hours people work on farms;
- (iii) Erosion and marginal lands which affect tractorisation and the land availability;
- (v) Desert encroachment;
- (vi) Pollution by industrial activities especially oil companies and some manufacturers.

Arising from all these problems, agricultural contributions to the GDP and exports have been low since 1980s (Table 1). This dismal performance is seen in Table 2 as the food imports continue to rise in value from N3.47 billion in 1990 to N113.63 billion in 2000. In terms of relative importance, food import as a percentage of total imports rose from 3.5 percent in 1991 to 11.8 percent in year 2000. Incidentally, food imports were low during the period of Structural Adjustment Programme, SAP – 1987 – 1993! However, as shown in Table 2, the gains of the SAP in terms of reduction of food imports was lost as from 1995, for since then food importation took an upward turn. In essence,

agriculture's contribution to the national economy has not been sustained. This is so given that Nigeria has varied and complex constraints militating against the realization of increased agricultural output. Availability of food to sustain developmental efforts of the populace should be viewed not only from the production aspect but also from the market price perspective. Nigeria is an inflationary economy.

In the past 3 decades, the inflation rate has skyrocketed at a pace, which have confounded policy makers. Both agricultural and manufactured commodities have been affected, though its effect on agricultural and food prices have been excruciating considering the fact that basic food need is topmost in the hierarchy of wants. It is important to note however that the development of agriculture is highly necessary to ensure that more food is produced and made available to non-producers at reasonable prices.

Table 1. Indicators of the contribution of agriculture to the national economy.

Period	Indicators			
	Agric. GDP as % of Total GDP	Index of agric. Production	Agric. Exports as % of total exports	Share of agric. In total employment
1970	n.a	126.0	72	75
1975	n.a	104.3	6.4	64
1980	34.7	92.5	3.7	60
1985	40.3	104.6	2.3	58
1990	39.0	167.5	2.2	56
1995	38.6	216.8	1.6	55
1996	39.0	224.8	1.3	54
1997	39.4	234.1	1.6	54
1998	40.4	242.4	n.a	53
1999	40.4	252.0	n.a	52

n.a. = Not available

Sources: Akande (1998), CBN (1997) and CBN (2000)

Table 2. Total imports and food imports in Nigeria (₦ Million)

Year	Total	Food	(b) as % of (a)
	Import (a)	Import (b)	
1980	9,095.6	1,437.5	15.8
1981	12,839.6	1,819.6	14.2
1982	10,770.5	1,642.3	15.3
1983	8,903.7	1,761.1	19.8
1984	7,178.3	1,349.7	18.8
1985	7,062.6	1,199.0	17.0
1986	5,983.6	801.9	13.4
1987	17,861.7	1,873.8	10.5
1988	21,445.7	1,891.6	8.8
1989	30,860.2	2,108.9	6.8
1990	45,717.9	3,474.5	7.6
1991	89,020.2	3,045.7	3.5
1992	143,911.4	12,840.2	8.8
1993	166,100.4	13,952.4	8.4
1994	162,788.8	13,836.7	8.5
1995	755,127.7	88,349.9	11.7
1996	562,626.6	75,954.6	13.5
1997	845,716.7	100,640.3	11.9
1998	837,418.9	102,165.1	12.2
1999	862,525.3	103,489.8	12.0
2000	962,970.0	113,630.5	11.8

Sources: CBN (1997), CBN (2000)

IV THE PROBLEMS OF POVERTY AND FOOD INSECURITY

Poverty is a plague afflicting people all over the world. It is considered one of the symptoms or manifestations of underdevelopment (CBN/World Bank, 1999). Poverty is a vicious cycle that keeps the poor in a state of destitution and utter disillusionment. Poverty is the main cause of hunger and malnutrition, which are aggravated by rapid population growth, policy inadequacies and inconsistencies

or weak administrative capabilities, unhealthy food storage and processing techniques (Sanni, 2000). The world's poor are concentrated in 65 low income countries, mainly in South Asia and Sub-Saharan Africa with a population of 3.2 billion having a per capita income of \$390 per year (Patel, 1994). The concept of poverty reflects numerous visible attributes of multi-dimensional nature. Attributes of poverty may be classified into structural, economic, social, cultural and political deprivations.

The structural dimension appears more permanent and manifests a vicious cycle, reflecting limited productive resources, lack of skills for gainful employment, location disadvantage and inadequate income to obtain the basic necessities of life. The social dimension of poverty is largely a gender issue since the greatest weight of poverty is borne by women household heads and children from poor homes. However, the conventional notion depicts poverty as a condition in which people are below a specified minimum income level and are unable to provide or satisfy the basic necessities of life needed for an acceptable standard of living (Okuneye, 2001). Often, the poor are known to have inadequate level of consumption and they are limited in growth and brain development (Aluko, 1975). The causes of poverty have been traced in the literature, partly to adverse developments on the international scene, world economic recession, foreign debt burden and a series of economic reforms undertaken by developing countries, which make them not to carry out poverty prevention programmes. But the far-reaching causes are domestically based. These include inadequate production and income, lack of access to employment opportunities, poor quality of labour force, low level of technology, inefficient use of resources, locational disadvantage, wars and natural disasters and the lack of access to credit and other productivity resources (Okuneye, 2001). In Nigeria, the economy had contended since the late 1970s with adverse economic environment created by oil shocks, world economic recession, deteriorating terms of trade, excessive importation or import dependency and debt overhang. These difficulties were compounded by inappropriate and inconsistent domestic policies that aggravated macro economic imbalances apart from mismanagement and /or corruption. A Structural Adjustment Programme (SAP) was adopted in 1986 to correct some of the policy distortions and structural imbalances. But the economic reform further increased production costs and living costs, thus aggravating the incidence of poverty among the vulnerable groups (Obadan, 1997). Table 3 shows the trend in poverty level in Nigeria between 1980 and 1996

Year	Poverty level (%)	Estimated Total Population (million persons)	Estimated Population of the Poor (million Persons)
1980	28.1	65.0	17.7
1985	46.3	75.0	34.7
1992	42.7	91.5	39.2
1996	65.6	102.3	67.1

Source: FOS (1997)

A recent development in computing indicators of poverty is the initiative of UNDP to provide a composite quantitative measure of both economic and social indicators of human development is called the Human Development Index (HDI). The HDI combines measures of purchasing power with measures of physical health and educational attainment to indicate progress or retrogression in human

life. The building blocks of the HDI are data on longevity, knowledge and income.

Table 4. Poverty ranks of Nations based on the HDI.

HDI R rank	Country	Life expectancy at birth (years) 1994	Adult literacy rate (%) 1994	Real GDP per capita (PPP\$) 1994	HDI value 1994
2	France	78.7	99.0	20510	0.946
4	U S A	76.2	99.0	26397	0.942
15	United kingdom	76.7	99.0	18620	0.931
50	Mexico	72.0	89.2	7384	0.853
53	Kuwait	75.2	77.8	21875	0.844
64	Libya	63.8	75.0	6125	0.801
68	Brazil	66.4	82.7	5362	0.783
82	Algeria	67.8	59.4	5442	0.737
90	South Africa	63.7	31.4	4291	0.716
97	Botswana	52.3	68.7	5367	0.673
99	Indonesia	63.5	83.2	3740	0.668
129	Zimbabwe	49.0	84.7	2196	0.513
132	Ghana	56.6	63.4	1960	0.463
134	Kenya	53.6	77.0	1404	0.463
138	India	64.3	51.2	1343	0.446
141	Nigeria	51.0	55.6	1351	0.393
145	Cote d' Ivorie	52.1	39.4	1668	0.368
146	Benin	54.2	35.5	1969	0.368

147	Togo	50.6	50.4	1109	0.365
160	Senegal	49.9	32.1	1596	0.326
164	Chad	47.0	47.0	700	0.228
173	Burkina Faso	46.4	18.7	796	0.221
175	Sierra Leone	33.6	30.3	643	0.176
*	World	63.2	77.1	5798	0.764
*	All Develop. Country	61.8	69.7	2904	0.576
*	Sub-Saharan Africa	50.0	55.9	1377	0.380

Sources: Column 1 and 4 derived from: UN (1995); Column 2 derived from: UNESCO (1995); Column 3 derived from; The World Bank (1998)

Longevity is measured by life expectancy at birth, while knowledge is measured by the adult literacy rate and mean years of schooling weighted at 2:1 respectively. For income, purchasing power parity (PPP), based on real GDP per capita, adjusted for the local cost of living is used. These three measures are combined in a 3 step-step process to arrive at an index. The HDI sets a minimum and maximum rate for each measure, and then shows where each country stands in relation to this range, expressed as a value between 0 and 1. As shown in table 4, Nigeria ranks 141 out of 175 listed. The situation in the agricultural sector accounts significantly for the poverty level of Nigerians. Yet the agricultural resources should really serve the purpose of alleviating poverty in Nigeria (Okuneye, 96 2000). The unemployment situation in Nigeria as shown by the labour force sample survey conducted by the federal office of statistics (FOS) indicated that the composite unemployment was 2.6 percent compared with 3.8 percent in 1996. However, unemployment by educational level showed that secondary school leavers topped the group of unemployed people. Table 5 shows the comparative figures and demonstrates, that

more people enter into poverty group on regular basis. These are veritable targets for employment in the agricultural sector if enabling environment can be created for more production, processing and marketing to take place.

Table 5 Distribution of Unemployed Persons by Educational Level in Nigeria:

Educational Levels	1993	1994	1995	1996	1997
All Levels	100.0	100.0	100.0	100.0	100.0
Without Schooling	17.2	23.3	18.7	18.0	14.8
Primary	17.9	13.2	36.5	10.8	20.1
Secondary	60.9	68.7	37.8	52.8	53.0
Tertiary	4.0	4.8	7.1	18.4	12.1

Source: FOS (1999) Labour Force Sample Survey, Report, FOS, Lagos.

V COST OF FOOD AND FOOD PRICES IN NIGERIA

Outputs of food crops have been erratic in Nigeria for quite some time. For instance, while the output of the major food crops dropped considerably between 1975 and 1985, improvements became noticeable from 1985 onwards (Table 6) mainly due to high rate of inflation or food prices. It is noteworthy however, that the increase in agricultural production was due more, to expansion of the area cultivated, than increase in productivity (Table 7). The table shows the resource use pattern of the average farmer in Nigeria. What is obvious from the table is that the costs of agricultural inputs continue to rise in the country. For instance fertilizer which was sold for an average of ₦141 per bag in 1985 and ₦200 in

1996 rose to ₦1,400 in 1997 (CBN, 1997, Okuneye, et al, 2001). It is expected therefore that the cost of production of agricultural products would rise with an attendant increase in the cost of food.

The implication of this is that the sector has suffered from lack of investment relating to improvements in farming technology particularly with the phasing out of World Bank loans and counterpart funding from the Federal Government to the Agricultural Development Programmes. Arising from this, food prices have continued to rise (Table 6). The resultant effects of this, are the problems of malnutrition, household food insecurity and restricted access to nutritious and sufficient food, culminating in greater effects of poverty on many Nigerians.

In case of livestock and fish production, there was a rise of 2.5 percent and 11.3 percent respectively, although available statistics showed increases in their prices particularly in 1999 and 2000. This phenomenon is mainly due to poor transportation, storage and processing facilities apart from rise in population.

Table 7. Summary information on resource use on Nigerian farms

	1985/86	1992/93	1999/2000
1. Average Farm Size (ha)	4.35	4.50	4.58
2. Labour use (mandays/ha)	71.7	76.40	57.00
3. Labour wage rate (₦/ Mandays)	50.00	100.00	200.00
4. Fertilizer use Kg/ha	12.57	1.21	0.00
5. Fertilizer price (₦/tonne)	2820.00	2560.00	37700.00
6. Pesticide use (litre/ha)	1.66	1.35	1.09
7. Price of pesticide (₦/litre)	271.00	375.00	534.00
8. Herbicides use (litre/ha)	0.04	0.00	0.01
9. Herbicide price (₦/litre)	120.00	n.a	1300.00

Source: Okuneye, et al. (2001)

Note:

1985/86: represents Pre SAP period

1992/93: represents SAP period

1999/2000: represents Post SAP period.

VI PRAGMATIC APPROACHES TO POVERTY REDUCTION AND ARRESTING THE RISING FOOD COST AND PRICES

The World Bank (1990) identified four major measures to increase the income of the poor.

These are:

- Increasing the demand and therefore, the price for those factors of production that the poor own (e.g. their own labour)
- Transferring physical assets such as land to the poor
- Providing social services such as education to the poor and
- Transferring current income to the poor through cash or food subsidies

Although evidence shows that economic growth is a powerful means of reducing poverty, not all patterns of growth have the same impact. For example, production incentives that encourage growth in rural areas will likely directly benefit farmers but also indirectly benefit the landless through an increased demand for labour and those involved in agricultural marketing. Labour intensive agricultural growth is particularly important for poverty reduction because agriculture in Nigeria provides employment for up to 70% of the labour force in the rural areas. To achieve this, group or cooperative farms need to be developed and funded at strategic villages depending on the comparative advantages of the selected communities.

Increasing the access of the poor to land and other assets, will alleviate the poverty of the masses, as they will be able to cultivate land and rear animals. Enhancing the access of small scale farmers and traders (particularly women) to credit, will lift up their productive capacities as they will be able to invest more on agriculture and increase food supply alleviation.

Development of infrastructural facilities in the rural areas is sine qua non to developing agriculture. Even though this is a medium term approach, it can be commenced now using a number of Local Government Areas in each state as pilot programmes. Such facilities like good feeder roads will enhance the evacuation of output and transportation of inputs to the rural areas. In particular, on-farm storage facilities appropriate for specific agricultural enterprises should be designed and commercialized for use in villages/rural areas.

Inputs such as improved seeds, seedlings, cuttings and suckers need to be commercialized through incentives to the private sector. Other inputs that need to be commercialized are fertilizers, herbicides and insecticides. Undoubtedly, the price response of farmers to these inputs, is very low. However though, a strong farm advisory service, the adoption of these technologies will be enhanced in a profitable and environment friendly manner. A major step to take is to increase the irrigated areas for food production. In the first place, yield is higher during the dry season as photosynthesis occurs more than during the wet season. Hence, RBRDAs should be funded more and monitored to discharge this role.

Furthermore, processing and marketing of food items offer a veritable avenue for job creation. Small scale processing facilities for cassava, yam, rice, millet, sorghum have

been identified as having high labour absorptive capacities. Apart from the employment potentials, processing offers a value added to agricultural output thereby increasing farmers' income.

Other areas include providing market information to farmers' and traders associations, informal educational programmes to small scale farmers and directly assisting the resource poor Nigerians with funds to engage in farming and trading through subsidies and other incentives.

VII CONCLUSION

The observed rising cost of food prices have roots in policies and programmes of past governments. In particular, after the SAP, not much attention was paid to agricultural and food production.

In fact, the World Bank loan which was withdrawn from the Agricultural Development Programmes (ADPs) as well as the Federal Government counterparts funding in 1996/97 are major causes of rise in food prices in Nigeria today.

Whereas large arguments can be advanced that subsidies go to the unintended beneficiaries, excellent arguments also exists to support the need for incentives to agriculture in developing countries especially Nigeria.

With lack of adequate feeder roads, storage facilities, effective extension service delivery system, credit facilities and agricultural research, among others, Nigeria has no checks and balances to withstand the penalty of loans withdrawal from the World Bank and Federal Government counterpart funding for the ADPs.

Provision of the facilities mentioned above within a regime of consistent positive policies for agriculture will not only lead to increased food production with attendant fall in prices but also serve as a poverty reduction mechanism in Nigeria. Furthermore, political stability is very necessary for self-sufficiency in food production to be attained. Hence, Nigerians should nurture its democratic setting.

Further investigation on the employment potentials and labour capacities of processing innovations need to be carried out for different crops such as cassava, millet, maize and yam to reveal their poverty reduction capabilities in Nigeria.

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Nigeria faces huge food security challenges. About 70 percent of the population live on less than N 100 (US\$ 0.70) per day, suffering hunger and poverty. Nigeria's claim to remain an agrarian economy hinges on two key facts. At the current growth rate of domestic food production, Nigeria is unable to feed its growing population. Domestic food production will have to expand at a faster rate. To address these challenges, Nigeria's agricultural and food security policy and programmes should adopt a twin-track approach, on one side encouraging commercial agribusiness, while on the other side supporting the huge population of subsistence producers, as this is critical to rural food security, social cohesion and poverty alleviation. Food insecurity is caused by various reasons. This problem is a gradual outcome of lack of food which leads to malnutrition and starvation among the poorest populations of the planet. Also, there is a distinction between chronic and temporary food insecurity. low level of procurement cost for agricultural products; the poor condition of transport and road network; the lack of effective state support. In order to gradually solve the problem of food insecurity in Nigeria, the key point should be the development and implementation of the national program of food security, so we can name the following solutions to food insecurity in Nigeria: the development of sustainable food markets. technical re-equipment of agricultural enterprises; improving the competitiveness of products