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Economic Recovery, Growth Paradox and Agricultural Product Marketing in Nigeria

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Abstract

This study reviews Federal Government of Nigeria's policies on the marketing of agricultural produce. The study used primary and secondary Data collected and analysed them using descriptive statistical models. The study used simple purposive randomised sample collected from a population of 100 workers. 11 questionnaire items were designed and administered to 100 respondents and 80 of them retrieved. Three null hypotheses were formulated and tested at 0.05 level of significance. Chi-square statistics was deployed. The study reveals that there is a significant relationship between government policies and the marketing of agricultural products. The result further reveals that there is a significant relationship between agricultural marketing policies and constraints on local agricultural product markets. It stressed the need for a positive relationship between policy strategies and Nigerian agricultural markets. Hence, it is irreducibly inferred that the FGN needs to re-strategize on how to improve the competitiveness of Nigerian agricultural food prospects domestically and globally. The need to further calibrate silos, food tanks, promotes integrated rural agricultural development centres,

involving agricultural, non-agricultural, food activities, etc, demand immediate attention. The provision of physical infrastructures, such as feeder roads, rural water supply, transportation, other logistics, including telecommunication, rural communication, increased building of commercial farm centres, warehouses, cooling houses and other means of storage facilities to keep the population out of hunger, stem down the tides of insecurity in the country, checkmate advancing foreign armed invading bandits, killer herdsmen and guarantee food security becomes very urgent now than ever.

Keywords: Economic Recovery ,Growth strategy (ER&G), government policies, marketing of agricultural products, food security, food business, food marketing infrastructures, agribusiness

1.1 Background of the study

The study of agricultural marketing history provides us with ample evidence that an agricultural and foods revolution is a fundamental pre-condition for economic vis-à-vis marketing development. The agricultural sector has the potential to be the industrial and economic springboard of Nigeria's development and food security efforts.

There is no gainsaying that agriculture remains the backbone of the Nigerian economy contributing approximately 25% of the GDP, employing about 75% of the National Labour Force. According to Federal Government of Nigeria Report 2005, over 80% of the Nigerian population live in the rural areas and derive their livelihood, directly or indirectly from agriculture. Given its importance, the performance of the sector makes impact on other sectors of the economy. Agricultural and foods development is an imperative for poverty reduction. Since most of the vulnerable groups like the pastoralists, the landless, and subsistence farmers all depend on agriculture and farm businesses. Demeji, (2011.102) explained that growth in the sector is expected to have a significant impact on the larger section of the populations than any other sector(s).

The declining trends experienced in the sector's growth especially 1990-2010; and 2015-2017 is a reflected on unemployment and decrease in GDP leading to general poverty, extreme lack, hunger, general rise in prices of foodstuffs, and massive suffering in the land.,

Agriculture, farm, and foods business is one key sector that would remain crucial to the developmental fortunes of Nigeria. The strong correlation that has been established between Nigerian's total GDP and the agricultural farm business suggests that the prospects of the non-oil sub-sector and the overall economy are closely tied to the performance of the agricultural sector, according to a FGN Document (ER&G 2017-2020 . 111).

In 1990, according to Oji-Okoro, (2011.9), about 82 million hectares of Nigeria's total land area of about 91 million hectares were found to be arable and 42 percent of the cultivable area was farmed. Most of this land was farmed using bush fallow system, whereby land is left idle for a period of time to allow natural regeneration of soil fertility. 18 million hectares were classified as permanent pasture, but had the potential to support crops. Most of the 20 million hectares covered by forests and woodlands are believed to have agricultural potential.

It is in the light of this that this work is set to deconstruct the paradox of government economic recovery growth paradoxical strategy and the policies of agricultural and foods marketing products in Nigeria.

1.2 Statement of problem

Over the years, the Federal Government of Nigeria (FGN) has taken bold steps to improve the agricultural and foods marketing system. In doing that, institutions such as the regulated markets, marketing boards, cooperative marketing institutions, warehousing cooperatives, commodity boards, etc., have been established primarily to help the farmers to effectively market their agricultural and foods products efficiently.

1.3 Objectives of the study

This study principally examines the paradox of economic recovery and growth paradoxical strategies of agricultural products in Nigeria. Specific objectives of the study include to:

i identify economic recovery and growth policies, infrastructural, economic, political, social, and institutional constraints in Nigerian agricultural market.

ii explain the persistence effects of the identified constraints to markets agricultural and farm business products in Nigerian.

1.4 Research questions

The following questions are raised for study:

i How does government policies affect marketing of Agricultural products in her drive to economic recovery and growth paradox?

ii To what extent does government policies constitute constraint to marketing of agricultural and farm foods products?

1.5 Research hypotheses

Two hypotheses attempt to prove the objectivity of the work:

Ho_1: There is no significance relationship between government policies of economic recovery and growth paradox on agricultural and farm business products.

Ho_2: There is no relationship between government policies that constraint the local markets for agricultural and farm products.

2. LITERATURE REVIEW

2.1 Conceptual Review

Food security is jointly determined by availability of agriculture and food products accessibility. Availability of food is a function of massive agricultural mechanisation, foods production, stock holdings and foods marketing. According to Von Braun et al, (2004.17) posits that by raising agricultural productivity, food availability could be increased. However, availability is not enough. The food produced must be distributed effectively and efficiently, more at minimum costs per unit of calibrated bundles in-order to guarantee continuous availability of the foods. This is the subject of foods marketing.

Olayemi (2000) posited that agricultural products and foods marketing is an imperative but often neglected aspect of agricultural and foods development. More emphasis is usually placed by government on policies to increase food production with little or no consideration on how to distribute the food production. In other words, food marketing by farmers and their families, mostly in the immediate post-harvest period usually involves many costs because of weak rural infrastructure where the produce are moved to city centres for onward transmission to deficit centres for consumption.

An integrated, interconnected and coordinated national food marketing system can affect food production and household's food security in two ways. One, it stimulates increased commercial activities that could generate more jobs and funds for plough back investments in both agricultural and agro-allied industrial sectors. The resultant increased agricultural productivity will lead to increased food production and increased food output. Secondly, it can enlarge employment value chain generation for intermediaries, that is, for both food distributors and rural farmers. The involvement of rural people in food marketing could uplift the rural populace standard of living and increase their personal income, enhance the prospects of food security at the households, local and national levels, (Ben-David, 2017.10).

Availability of food at the household level requires that food must be available either through their own-farm operations or by purchasing the foods from the markets. In most cases, the food produced from own-farm operation is inadequate and this makes a good marketing system very important to ensure food availability. FAO (2006) submitted that if available foods could be evenly distributed (through efficient national and international markets), each person would be assured of 2,700 calories a day, which is the recommend daily calorie intake. However, since available food is not evenly distributed (due to marketing inefficiencies and other forms of problems), there are shortages of food in some regions. Therefore, the issue of how much food gets to the households, which is fundamental in household's food security, is a function of food marketing efficiency and the household's income level, (Ladele & Ayoola, 2000).

2.2 Contextual Review

2.2.1 Agricultural policies in Nigeria

Daramola (2004) argues that agricultural and farm policy formulation in Nigeria is a typical market policy. This position is derived in part from Anderson & Tyers (1988), who argued that the forces of demand and supply for policies are conceptualized. In this view, policy beneficiaries demand policies and politicians supply them. Under the situation of 'distorted' pricing policy, as we have experienced in Nigeria in the

recent past, the supply curve in this market represents the marginal political cost of providing an extra unit of protection by way of taxation in terms of reduced political support from groups opposed to such a policy change. Whereas the demand curve represents at the margin the preparedness of groups seeking policy change to offer various degrees of political support to the leadership, Under general framework, Erbuowara (1996) has noted that there is also the need to accommodate social and government preferences, which include altruism.

2.2.2 Agricultural marketing policies on the military/autocratic regimes

In Nigeria, policies under successive regimes before 1999 discouraged agriculture and its other components of marketing or agribusiness. The industrialists, being fewer in number, better educated, equipped, financed, urban based, politically connected and with better access to infrastructure, gained better assistance and support policies. Generically, (Omeje &Ogbu, 2015.129), poor countries, like Nigeria, tax agricultural and foods exports/imports to promote the manufacturing sector, which they expect to replace imports. Besides, it is easier to tax revenue through income or sales tax because the latter option is rather expensive to collect. Agricultural policy in Nigeria can be discussed in four periods: 1960-69, 1970-85, 1986-98 and 199 to date.

2.3. Empirical Review

2.3.1 Pre-and civil war period (1960-69)

The Nigerian economy between 1960 and 1970 can be treated in two periods: from independence in 1960 to the civil war in 1966 and the civil war years (1967-70). In the period 1960-69, there was minimal direct government involvement in agriculture. During the early period of Nigeria's history, different regions specialized in producing various agricultural exports. Crude oil was discovered in Nigeria in commercial quantities, and the Shell petroleum Company constructed the first oil well at Oloibiri in 1958. However, it was not earning as much foreign exchange as agriculture was fetching for the regional governments. Nigeria could be described as having a very robust agricultural sector during the period. The country was self-sufficient in food production with minimal imports of processed food for elites. Farmers produced enough food crops to feed the population and export crops to finance government expenditure.

2.3.2 Post-civil war/Oil Boom Era (1970-85)

The crisis of agricultural exports in Nigeria started around 1970. This era launched the oil boom, just after the civil war that destroyed buildings, left dilapidated infrastructure and destroy most large palm plantations in Nigeria. The windfall from the oil wealth was not invested in agriculture, but in commerce, construction and manufacturing, leading to neglect of the agricultural sector. These sectors conspired by attracting factors of production away from agriculture, leading to a serious problem of 'Dutch disease' (i.e. economic increase in sectors like manufacturing, construction, development of infrastructure, but radical decline in agricultural and foods marketing sector). Another serious consequence of the oil boom was currency/naira overvaluation, which led to Nigeria agricultural exports being uncompetitive, (Effoduh, 2015).

The period of 1970-85 witnessed more direct government intervention in agriculture in the face of the noticeable decline in agriculture performance. A variety of macroeconomic variables policies became expansionary, including direct government involvement in agricultural foods production; incentives were introduced, including low tariffs on agricultural inputs.

The period witnessed the establishment of many new agricultural institutions and programmes, such as Nigerian Agricultural and Co-operative Bank (NACB) in 1973 and the Agricultural Credit Guarantee Scheme Fund (ACGSF) in 1978, were established to provide agricultural finance. During this period, World Bank, assisted ADPs were introduced in a number of states. The programmes were designed to provide an integrated approach to agricultural and rural development. River Basin Development Authorities were also established to provide all-year-round water irrigation to farmers. Furthermore, Oji-Okoro, (2011.56) posits that agricultural sector dominates GDP, provides employment of more than 70% of the active labour force, and generates about 88% of non-oil foreign exchange earnings. However, its share of the GDP increased from an annual average of about 38% during 1992 to 40% in 1996 during 1997-2001

compared to crude oil. The GDP from Oil and gas declined from an annual average of 13% in 1992-1996 to 12% during 1997-2003.

Obasanjo's agricultural programme in 2004/2005 was prominently cassava/cashew projects and so much attention was given to the sector. During the 2007-2010, President Yar'Adua's Seven Point agenda emphasised Food security. Oji-Okoro (2011) examined the contributions of agricultural sector on the Nigerian economic development and noted that there is a positive relationship between GDP vis-a-vis domestic savings, government expenditures on agriculture and foreign direct investment (FDI) between the periods of 1990-2010. The study further revealed that Domestic Savings, Government Expenditures and Foreign Direct Investment inflows, could explain 81% of the variation in GDP.

2.3.3 Structural adjustment programme period (SAP, 1986-1992)

The decline in world oil prices in the early 1980s, coupled with mismanagement of the economy, gave rise to twin deficits in Nigeria: fiscal and current accounts. Increasing import bills, coupled with declining foreign exchange receipts from oil, made Nigeria unable to finance her current account deficits. The other is the mismanagement of successive budgets, coupled with declining fiscal receipts from oil, snowballing deficits. Nigeria's creditors compelled the country's political leadership to submit to the macroeconomic policies of the International Monetary Fund (IMF) as a condition of new credits, (Daramola, 2004 and buttressed by Azih, 2008).

Hence, the introduction of SAP, SAP period began the era of agricultural exports liberalization, including the scrapping of the commodity boards and deregulation of the entire economy. This period 1986-99, combines the SAP and post-SAP era, market-oriented and no-market-oriented agricultural development policies and programmes introduced. The 21 River Basin Authorities were reorganised to 11; DFRRI established, National Agricultural Insurance Corporation (NAIC) and People's Bank were set up. Farm inputs supply policy was also activated. SAP components included trade liberalization, abolition of import and export licensing and exchange control measures. With these reforms, export earners became entitled to 100 percent of their foreign exchange earnings provided

these were kept in a domiciliary account. Thus, agricultural producers had an incentive to boost their exports.

The Export Incentive and Miscellaneous provisions Decree of 1986 was enacted using the CBN to provide refinancing and discounting facilities to commercial and merchant banks to encourage them to provide credits and risk-bearing facilities in support of exports. This subsequently led to the establishment of the Nigerian Export Credit Guarantee and Insurance Corporation in 1988, which was subsequently, renamed the Nigerian Export-Import Bank (NEXIM), commencing operations in 1991. The exchange rate that was about 0.639 naira to the US dollar in 1981 and 0.9996 naira in 1985, averaged 3.32 naira in 1986. By 1992, it had fallen to 19.66 naira and to 91.83 naira in 1999. Economic theory suggests that exchange rate devaluation is good for exports as it makes export prices more competitive because it leads to a higher farm rate (domestic) price, at the same time, devaluation makes imports more expensive, exports very cheap.

While devaluation boosted exports, liberalization of exports and pricing mechanisms brought about by the convergence of domestic prices with world export values, it kills agricultural foods marketing development and growth. The ratio of producer prices to export prices for cocoa and palm kernel under SAP, converged significantly at 100 percent, indicating that exporters were paying farmers prices that were above world market prices. This practice, according to Yadav, (2018.59), was common among Asians who wanted to beat foreign exchange repatriation regulations in Nigeria. There is no doubt that the tremendous boost in producer prices was due to naira devaluation. The naira value of the world market prices of cocoa, rubber, cotton and groundnut rose from 21.35 naira, 27.14 naira, 51.70 naira, and 82.40 naira per ton in 1985. It continued to 73.87 naira, 16, 739 naira and 790 naira in 1991, representing 246, 967, 1331 and 859 percent increases respectively. The position outlined here is that growth in agricultural export earnings in recent decades has merely been a price effect, with little output effect even when allowance is made for time lags in output changes relative to price change, (Akinbamowo, 2013.149).

2.4 Marketing of agricultural farm foods products.

The term marketing, according to the American Marketing Association is "The process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives". Market can mean "A place where goods are offered for sale". "The opportunity to buy or sell", "The exchange of goods for an agreed sum of money" or "the commercial process involved in promoting and selling and distributing a product or service".

2.4.1 The progression of agricultural and farm foods marketing.

Agricultural foods marketing, as reported by Abdulmuftah, (2017.61) has progressed through three general eras during its history. Changes in periods took place as the focus of the marketing changed. The eras are the production era, the sales era and the marketing era.

Production Era:

The production era of marketing focused on the product itself. This era lasted from the beginning of capitalism until roughly the 1950s. Businesses concerned themselves primarily with production, manufacturing and efficiency issues the assembly lines created by Henry Ford, which stressed standardization and specialization, are a good examples of the mindset during the production era.

Sales Era:

The second era in the history of marketing was the sales era, lasting from the mid-1950s to the early 1970s during World War II. The devastating effect of WWII accelerated production capabilities for the war efforts. When the war was over, the manufacturing sector shifted that capacity to producing consumer products. By the mid-1950s, supply began to outpace demand in many industries, forcing businesses to find new ways to sell product.

Marketing Era:

The third and current phase of marketing is known as the marketing era. It developed in the late 1960s and early 1970s. Market orientation is a three-step process.

2.4.3 Food marketing

Today, the food marketing industry links farmers to consumers. The industry includes processors, wholesalers, retailers and foods service establishments. In 2003, the food marketing system supplied approximately N949 billion worth of foods and services to consumers in the country. However, according to Barungi, Odhiambo & Abogwa, (2017.23), the structure of the network is changing. Farms in many sectors are consolidating into fewer operations.

Commercial relationships among farmers and between farmers and their linking industries are also changing as many relationships come to rely and according to Ben-David, (2017.144) more on contracts and complex agreements and less on cash markets. These changes are leading to changes in the types of tasks carried out by farmers. Changing consumer preferences are driving changes in the value chains of foods selections. The strong economy of the last few years has raised incomes and allowed consumers to pay more for convenience. For instance, selling in niche markets allows farmers to go beyond producing cheap, undifferentiated commodities and instead add value and earn a premium by providing unique products highly valued by different groups of consumers.

2.5 Strategies of Agricultural foods marketing

According to Chete, et al (2016.26), agricultural foods marketing is a large foods products marketing costs, and the footing of “marketing bills”, including the costs associated with assembly, transportation, processing and distribution of farm foods to consumers wherever we can locate them..

Promotional Strategies:

Promotion is the marketing of products, using advertising, publicity, public relations, sales promotions, and branding. However, its broader meaning can be divided into the 4Ps of marketing.

2.5 Challenges of agricultural foods marketing in Nigeria

Agricultural foods marketing efficiency has been bedevilled by external and internal market related factors. These factors are also

peculiar to marketing in Nigeria (FMARD 2004). Agricultural foods markets are poorly developed, hence stunted growth and has remained so long many years now. The markets may have served the economy well in the past but currently inadequate in the face of growing demand for foods products due to population growth and changing dietary demand patterns. The inadequacy of transport services in rural Nigeria is palpable, (WARDA, 2005).

Another marketing challenge associated with agricultural marketing in Nigeria is the absence of standardization of products in the foods market place. Standardized system of grading and measurement, which enhances marketing efficiency, is not a feature of agricultural foods markets in Nigeria. Grades are determined arbitrarily by sizes, colour or smell. Measures come in various types of metal and plastic bowls, dishes, tins basket and calabashes. Most of the measures, according to Adetunji, (2015.254) are susceptible to manipulation to change volume, in an attempt to take advantage of buyers. In addition, sorting and packaging activities are not carried out systematically to boost farmers' incomes and ensure adequate protection of consumers in the country.

In summary, an agricultural foods marketing shortcomings that relates to marketing in Nigeria includes:

- Poor market information system
- Low market demand of value-added products by the consumers
- Limited purchasing power of consumers
- Stiff competition between the firms, in terms of location, quality of good and prices
- Increasing costs of marketing functions irregular power supply which push the firm to source of alternative (generator) and this increases transaction cost.

2.6 Effects of agricultural policies on marketing in Nigeria

Since the beginning of the present democratic dispensation in 1999, there have been notable strides in agriculture foods marketing. Some growths can be attributable to public investment in the sector, notably the World Bank assisted FADAMA II and I. There are other initiatives such as the Food and Agriculture Orientation (FAO) – assisted National Special Programme on Food Security (NSPFS), the International Fund for Agricultural Development assisted by Root and Tuber Expansion

project. All these projects have combined to raise the contributions of agriculture to GDP growth to 5.5 percent in recent years (CBN, 2005). However, the major leap to 7 percent per annum is a product of the bold reforms within the Nigerian macro-economy, the conclusion of the NAP and reforms in the financial sector. It is the reform agenda that gave birth to many presidential initiatives on various commodities such as rice, cassava, livestock, and palm oil. The reform within the financial sector has led to the banking sector being stronger and more willing to finance real sector activities such as agricultural and manufacturing. According to Narayanamorrthy & Alli, (2018), the poor liquidity of banks and the paucity of investment funds have been boosted by pension reform, which has led to the availability of long term credit facilities and a reduction in the cost of finance through a lower interest rate.

There is also an aggressive drive by the Federal Government to attract foreign direct investment into Nigeria. Notable agricultural investors include the United States Agency for International Development, the UK Department for International Development, the Canadian International Development Agency, the Japan International Cooperation Agency, Chinese and Zimbabwean (white) farmers in Kwara State. In many different ways, these interventions, according to Adamu, (2016) have been manifested as growths in the GDP, which is now higher than the predicted rate of population growth, but economic recession under Buhari administration of 2015-2018. The implication of this is that poverty will decline, regrettable broadened as a result of the rate of growth in GDP (estimate at 7.5 percent) being faster than population growth (estimated at 2.5%).

Adegbola, Bamishaiye & Daura, (2011.59) and reinforced by Babatunde & Oyatoye, (2016.56) that it became evident that too much government intervention had stifled the private sector marketing drives and was forcing the government to do what the private sector would have done more efficiently. The parastatals, which enjoyed monopoly, had failed to achieve the objectives for farmers, efficient and inexpensive national distribution of commodities to consumers without government subsidies and buyers of last resort. The pricing policy discouraged private sector investment

in storage and transportation facilities for the food crops sector. Furthermore, the prices set by the government were generally lower than the global market prices. The government investment pattern also changed. More incentives were directed towards industrial and commercial sectors compared to agriculture. Funds allocated to the developing budget remained unspent while those in recurrent expenditure were usually exhausted before end of the year.

2.7 Agricultural pricing policies and Food security manageme

Agricultural pricing policy has considerably influence the marketing system of agricultural commodities. The policies, to Odoh, (2014.29), primarily targeted agricultural price stabilization and influence the price spread from farm gates to the retail levels. Its objectives, thrust, and instruments have conspicuously shifted during the last fifty years.

2.8 Theoretical framework

2.8.1 The Monetarists' Theory

The monetarists are usually referred to as the modern quantity theorists. They developed their theory as a challenge to the Keynesian revolution in the sixties and seventies. The monetarist believe that the economy is predominantly competitive and that price change smoothly and efficiently to equate demand with supply in each market. They have considerable faith in the ability of the economy to correct any imbalance that may arise without external assistance. They believe that to stabilize economic distortions, monetary policy should be used, this Nigeria defies monetarists' theory as can be observed.

To the monetarist, if money supply is properly adjusted, spending, price, and unemployment will adjust automatically and the economy will adjust automatically and the economy will run systematically. They argue that there is a direct link between money supply and Gross National Product (GNP) and that government expenditure multiply positively especially in the short-run.

2.8.2 Rostow's Stage Of Economic Growth

This theory was propounded by Professor W.W. Rostow. According to him, the transition form under-development to a series of steps or stages through which all countries must proceed. As Rostow wrote in the opening chapter of the stages of economic growth; "it is possible

to identify all socialites, in their economic dimensions, as lying within one of five categories (stages)".

(a) The Traditional Stage
(b) Pre-conditions for take-off
(c) The take-off stage
(d) Drive to maturity stage
(e) Stage of high mass consumption

Materials and Methods

3.1 Materials and Design

This work adopted descriptive and explanatory designs to describe the population measurements using observatory tools for the behaviour of several variables and test hypotheses from the data collected, (Kothari, 2004.96).

3.2 The study area

Ministry of Agriculture in Cross River State was designated for this investigation. Cross River State, Nigeria. The State is well known for its serene environment, warmness, hospitable residents, and minimal crime rates. It borders Benue State to the North, Atlantic Ocean to the South, Republic of Cameroun to the East and Akwa Ibom, Abia and Ebonyi States to the West. The State pride itself of sumptuous delicacies as efere afang, edika ikong, ata'ama, ekpang kukwo, efere abak among others. It is a tourist destination.

3.3 The population and sample size

The population of study consists of 100 senior and junior workers of Ministry of Agriculture, Cross River State. Specifically, the top managers who, at least, have worked for a period of ten years and above, Taro Ya,mane, (1964) formula was used to determine the sample size thus:

$$n = \frac{N}{[1 + N (e)^2]}$$

3.4 Source of data

Structured questionnaire was designed to generate primary data. It was directly administered to Ministry of Agriculture Staff in Calabar, Obubra, Ikom, Ogoja and a handful of other Local Areas with Ministry

of Agriculture Liaison Offices in the State. Secondary data was extracted from reviews of learned and peer reviewed journals textbook, magazines, newspapers, unpublished theses, position papers, and records related to field of agricultural marketing. For collecting adequate information, the following libraries and institutions were consulted:

i. University of Calabar E-Library
ii. State Library, Calabar
iii. Ministry of Agriculture, Calabar

3.5 Instrumentation

The research instrumentation was a structured questionnaire used in obtaining primary data from the Ministry of Agriculture, Calabar and some LGAs. The questionnaire was divided into section A and B. Section A deals with demographics such as age, sex, education, etc., and section B deals with psychographics. Chi-Squared of "Yes" or "No" responses was applied.

3.6 Validity and Reliability of the instrument

The instrument to a high degree measures what it was intended to measure with a reliable accuracy. Face and content validity were established for the study. The instrument was developed by the researcher and vetted by a psychometrist.

The instrument displayed consistent degree of dependability in measuring what it does. To further buttress instrument reliability, a trail testing was drawn using eighty workers drawn from the population area. Test re-test method of reliability crafted to ascertain reliability estimate of the instrument. These responses were calculated using Cronbach Alpha method. A high reliability coefficient recorded from the questionnaire.

4.0 DATA ANALYSIS AND INTERPRETATION

The result of analysis and interpretation is based on the data collected. In order to provide a clear understanding of this study, out of 100 questionnaires administered, 80 were retrieved.

Table 2.1: Does government policy have an effect on the marketing of agricultural products?

Item	No. of Respondents	Percentage(%)

Yes	55	68.75%
No	16	20%
Not sure	9	11.25%
Total	**80**	**100%**

Source: Field work, 2015 .

Table 2.1 above shows that 55 respondents representing 68.75% ticked yes, 16 respondents representing 20% choose no, while 9 respondents representing 11. 25% claim not sure.

Table 4.2.2: Is there any benefit in marketing of Agricultural Foods product?

Item	**No. of Respondents**	**Percentage (%)**
Yes	78	97.5%
No	2	2.5%
Total	**80**	**100%**

Source: Field work, 2015

From the table 2.2 above shows that, 78 respondents representing 97.5% responded positive, while 2 respondents representing 2.5% claim that they have not benefit in agricultural product.

Table 4.2.2: Is there any relationship that exists between agricultural policies and local market for agricultural product?

Item	**No. of Respondents**	**Percentage (%)**
Yes	78	97.5%
No	2	2.5%
Total	**80**	**100%**

Source: Field work, 2015

From the table 2.2 above shows that, 78 respondents representing 97.5% agree yes, while 2 respondents representing 2.5% claim that there a is relationship that exists between agricultural policies and local market for agricultural product.

4.3 Test of Hypotheses

Ho_1: There is no significance relationship between government policies and agricultural products marketing.

Decision Rule:

The x^2 rule states that the calculated value is greater than critical values reject the null hypotheses (H_{o1}) and accept alternative hypothesis (H_1), but where the calculated value is less than the critical value, accept null hypothesis and reject the alternative hypothesis.

Table 4.3.1: Chi- square (x2) calculation for hypothesis one

Item	**Fo**	**Fe**	**Fo-Fe**	**$(Fo-Fe)^2$**	**$\frac{(Fo-Fe)}{Fe}$**
Yes	71	40	31	961	24.025
No	9	40	-31	961	24.025
Total	**80**				**48.05**

Source: Field work, 2012.

Calculated value = 48.05

Degree of freedom = (R-1) (C-1)

(5-1) (2-1)

4 x 1 = 4.

Level of significance = 0.05.The critical value of (x^2) with 4 degree of freedom is9.49.

Decision

Cal_{val} of x^2 of 48.05 was greater than the $crit_{val}$ of 9.49 (48.05) > 9.49. Therefore, null hypothesis was rejected and alternative hypothesis accepted. The decision is that there is significant relationship between government policies and agricultural foods products in the market.

Ho_2: There is no relationship between government policies that constraint the local markets for agricultural foods products.

Table 3.2: Chi-square(x^2) calculation for hypothesis two

Item	**Fo**	**Fe**	**Fo-Fe**	**$(Fo-Fe)^2$**	**$\frac{(Fo-Fe)}{Fe}$**
Yes	67	26.7	40.3	1624.09	60.83
No	9	26.7	-17.7	313.29	11.73
Not sure	4	26.7	-22.7	515.29	19.3

Source: Field work, 2012.

Calculated value = 91.86
Degree of freedom = (R-1) (C-1)

(5-1) (3-1) 4x 2= 8

Level of significance = 0.05
The critical value of (x^2) with 8 degree of freedom is 15.5.

Decision

Since the cal_{val} of x^2 of 91. 86 was greater than the $crit_{val}$ of 15.5. Therefore, null hypothesis was rejected and alternative hypothesis accepted. Hence, there is significant relationship between agricultural policies constraint and the local markets for agricultural foods products.

Discussion of findings

From the analysis and interpretation of data collected for this study, the following generalisations can be deduced:

Hypothesis 1

The statistical estimation reveals that there is a significance relationship between government policies and agricultural foods products in the market. This implies that government is doing a good job in terms of reforms and making Nigeria exports competitive using various incentives regimes and drivers.

Hypothesis 2

This hypothesis Proves that there is a significant relationship between agricultural policies constraint and the local markets for agricultural foods products. Sound, sustainable performance of local agricultural foods outputs is an imperative for poverty reduction, empowerment, jobs creation, etc. to reduce vulnerable groups conflicts like pastoralists (herdsmen), the landless and subsistence farmers, who depend on agriculture and foods products as their main source of livelihoods and income.

4.4 Conclusion

The improvement in marketing has been widely recognized as one of the most effective ways for increasing the productivity of agriculture and foods. It helps the farmer in many ways. It promotes development

and growth of new and more secure markets from farm products. It reduces the costs of exchange services, storage and transportation, thereby reducing the gap between farmers and consumer prices to the mutual advantage of the parties. Marketers concerns are the basic problems of marketing as reflected in the scale of production resulting to external economies and general stimulating marketing environment. In particular, the re-introduction of commodity boards, the development of marketing corporations, and the deliberate policy to increase food production.

4.5 Recommendations

In order to enhance effective marketing for sustainable agricultural foods, economic development and growth, the following policy issues are relevant for policy review, redesign and framework for foods marketing in Nigeria:

1. A friendly policy environment that target competitive incentives for private investments to boost marketing sub-sector. Fostering effective and efficient linkages with the industry to achieve maximum value chains additions and processing of foods for exports.
2. Involve NGOs, CBOs, CLOs, and opinion leaders in marketing by building capacity of potential marketers.
3. Promote integrated rural development involving agricultural foods through the provision of physical infrastructures including feeder roads, rural water supply and rural communications.
4. Adequately recapitalize the development banks to provide soft agricultural credit facilities, soft loans, and rural finance to the marketers; and
5. Promote joint ventures, private sector managed multi-commodity development and marketing companies to guarantee enumerative prices for farmers, stabilize consumers' prices, and provide alternative markets for farm products. This can be implemented using a buyer of last resort mechanisms, constantly needing sustenance in cassava, yams roots, maize, millet, barley, wheat and other cash crops marketing in Nigeria.

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