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Rent-seeking and Fertiliser Distribution Politics in Benue state, Nigeria

Iveren Adoo Uganden[1] & Victor Adefemi Isumonah[2]

[1]Department of Political Science,
Rev. Fr. Moses Orshio Adasu University, Makurdi, Benue State, Nigeria
Corresponding author: auganden@bsum.edu.ng

[2]Department of Political Science
University of Ibadan, Ibadan, Nigeria

Abstract

The declarations in documents on fertiliser policy rightly prioritize access to adequate fertilisers by all categories of farmers in Nigeria. However, the experience of farmers acknowledged by scholars and government is that fertilisers are scarce and expensive for smallholders or peasants. Consequently, this paper examines the role of politics and rent-seeking behaviour of public officials in the inaccessibility of fertiliser to smallholders. To ascertain fertiliser consumption by farmers, a survey questionnaire was administered on 400 respondents with a return rate of 377. Responses were analysed and results presented in a descriptive format. A key finding of the study is that public officials deploy fertiliser policy less for the benefit of smallholders and more for political and pecuniary ends.

Keywords: Smallholders, Fertilisers, Policies, Structural Violence, Rent-seeking.

Introduction

The history of official participation in the fertiliser sector in Benue State is embedded in the national policy which articulates a private sector driven framework for facilitating farmers' access to fertilisers (FMARD, 2006). Implicitly or explicitly, fertiliser policy espouses a smallholder focus as a generic pretension of state intervention in agriculture in Nigeria. However, the pervasive presence of the state in the fertiliser sector is felt more in inadequacy of fertilisers consumed annually by farmers as acknowledged by farmers, intellectuals, government agents and the international community (AfricaFertiliser.org, 2018; African Union, 2006; Chude et al., 2012; FMARD, 2011; FEPSAN, 2014; Gwa, 2019; Jerven, 2014;).

Several factors apparently account for the low consumption of fertiliser in Benue state in particular and Nigeria in general. For agricultural economists (Ayoola, 2001; Idachaba, 2011; Mgbenka & Mbah, 2016; Ugwuja et al., 2011), forces of demand and supply as well as agronomic questions are central to explanation of inefficiencies in fertiliser distribution and consumption. Priority is also accorded design characteristics, implementation modalities and performance of fertiliser regimes and programmes as decisive for distribution and access (Nagy and Edun, 2002; Wanzala-Mlobela et al., 2013; Langyintuo, 2020). Existing political economy studies see the poor performance of agricultural policies, especially the persistence of decline in budgetary allocation to agriculture as products of official neglect of agriculture and industrial bias of development policy (Ake, 1981; Akinlo, 2020; Berendsen and Veen, 2013; Gambo & Guluwa, 2021; Henley and Van Donge, 2013; Manyong et al., 2005; Morgan and Solarz, 1994; Nnoli, 1981). Gambo and Guluwa (2021) acknowledge a positive correlation between government expenditure on agriculture and increase in economic growth using time series data. However, government expenditure in the fertiliser sector has not sufficiently demonstrated

this correlation due to the impact of intervening variables such as renk-seeking behaviour of bureaucrats and politicians. All these provide useful insights into the workings of official channels for the management of fertiliser in Benue, Nigeria and within sub-Sahara Africa at the broader level.

The point of departure for this paper is the link between the accumulative behaviour of individuals in both official and unofficial capacity and inaccessibility of fertilisers to smallholder farmers. Given the marginal place in wealth creation by the underdeveloped private sector (Apam and Uganden, 2010), the public sector in Nigeria is a prized source of cheap accumulation. This predisposition is, in turn, well served by systemic deficiencies, which allow public officials to manipulate official procedures using insider advantages for their benefit and of their allies in the private sector, a practice that Werlin (2005) aptly captures as secondary corruption. So, Valtonen (2000) argues that in most instances of poorly performing public systems as derivatives of state failures, the fault does not necessarily lie with the intentions of the state, which are torpedoed by local strongmen, politicians, business elite and corrupt authorities though well-conceived. The state is culpable to the extent that corrupt practices go on with the full knowledge and participation of its minders.

From 1999 when Nigeria returned to electoral rule till date, several policies and programs have been designed and implemented aimed at making fertilisers available and affordable to farmers across board by successive administrations. It will appear that none of these has fool proof mechanisms against subversion by individuals referred to by Valtonen (2000). An analysis of different fertiliser procurement and distribution systems, how they function practically and the role of local strongmen, politicians, business elite and corrupt authorities in constricting fertiliser consumption especially by the peasant while simultaneously expanding their access to public resources will bear this out.

Benue state is notable in Nigeria for great agricultural potentials recognized even by the British colonialists who extracted incalculable agricultural surpluses on beniseed cash crop from its communities (Odey, 2014). Post-colonial administrations have sustained agricultural spotlight on the state via various policy instruments with the aim of creating an agricultural surplus both to guarantee food security and stimulate growth of agro based industries in the country. The location of the headquarters of Lower Benue River Basin Development Authority (LBRBDA) and a University of Agriculture in the state partly attests to the Federal Government's recognition of the critical role of Benue State in Nigeria's agricultural development. On the other hand, the establishment of the LBRBDA among ten others spread across Nigeria, owes primarily to the distributive streak of Nigeria, since the idea of River Basin Development Authority was conceived originally for the Niger Delta according to a former Minister of Agriculture, Lt. Gen. Alani Akinrinade (Isumonah and Egwaikhide, 2005). Actions in the agricultural sector by the government of Benue state include the establishment of a College of Agriculture, facilitation of the World Bank funded Benue Agricultural and Rural Development Authority (BNARDA), establishment of land development scheme, and the Taraku Oil Mills designed to benefit from increased agricultural mechanization.

In line with the federal government's emphasis on the smallholder farmer in the formulation and implementation of fertiliser subsidy regime, the state government also prioritises smallholders in the execution of fertiliser policy. This is evident in the decentralization of distribution, location of fertiliser depots in all the 23 local government headquarters in the state, provision of subsidy on fertiliser in addition to that provided by the federal government and inclusion of women and youth leaders in fertiliser distribution committees set up at the local government level.

Given these apparently laudable measures, a focus on politics and rent-seeking would appear to be intellectually puerile. However, elaborately organized fertiliser procurement and distribution system does not necessarily translate to access by farmers. As Landau (1977:425) has written, policy proposals are hypotheses, unverified propositions whose truth value has not been determined and which are inherently error prone. According to him, "...whether a policy proposal is engineered, or the outcome of a bargain, or the result of conflict, or the product of historical forces ... its epistemological status is not altered. It remains hypothetical." This refers to the vast probabilities existing between policy proposal and the outcomes of execution. For instance, Idachaba (2011) relates that subsidized fertiliser ends up in the hands of unintended beneficiaries; probably unforeseen by designers of the subsidy scheme. Against this background, this paper proposes politics and rent seeking as variables interposing policy design and implementation and delineates their roles in the deprivation of especially peasants of much needed fertilisers. The interworking of politics and rent-seeking asphyxiates the peasant on the one hand and simultaneously stacks gold for local strongmen, politicians, business elite and corrupt authorities in Benue state. Stated differently, politics and rent-seeking are used to unearth probable errors in Benue state's fertiliser 'hypotheses'.

Key arguments of the paper are based on data obtained from a survey design that employed questionnaires and in-depth interviews. A sample of 400 respondents was selected from a population of 311,150 farmers in nine purposively selected local governments from Benue state namely, Agatu, Gboko, Gwer-east, Gwer-west, Katsina-ala, Oju, Otukpo, Ukum and Vandeikya (NPC, 2012). The criteria for selection included the concentration of farming communities, high levels of soil nutrient depletion, more or less urbanization and also some level of political representation. Out of 400 farmers covered by the survey, 377 returned the questionnaire. Data obtained was analysed using descriptive statistics of frequencies and percentages. In-depth interviews were also conducted with key officials in the state ministry of agriculture, agro dealers and some beneficiaries of state organised input programmes.

Johan Galtung's structural violence theory was employed as framework for identifying structures that support the kerbing of the peasantry in Benue State. Structural violence is conceived as 'the avoidable impairment of fundamental human needs or, to put it in more general terms, the impairment of human life, which lowers the actual degree to which someone can meet their needs below that which will otherwise be possible' (Leech, 2012: 10). The idea of structural violence expands the definition of violence beyond direct physical violence' and includes human suffering caused by social structures that disproportionately benefit some people while diminishing other people's ability to meet their needs (Leech, 2012).

According to Galtung (1969), when a particular group or class monopolizes resources or diverts them to other purposes, the actual levels at which those outside such groups access such resources fall below their potential and this indicates the presence of structural violence in the system. The major differentiation between direct violence and structural violence according to Galtung's postulation is that direct violence involves the tripod of subject-object and action, where the subject is the person or persons exercising violence, the object is the persons or persons receiving the treatment of violence while the action is the violence itself which in most cases refers to what is physical and easily identifiable. This is not so with structural violence as it is difficult to establish direct links to a human agency as this form of violence is exercised through social structures and may not even be construed as violence. He states that 'there may not be any person who directly harms another person in the structure. The violence is built into the structure and shows up as unequal power and consequently as unequal life

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chances' (Galtung, 1969:171). Indicators of structural violence to him include uneven distribution of income, skewed access to health care, literacy and in aggravated circumstances, the correlations of rank dimensions where those who are low in income are also low in health, education and power.

Politico-economic fundamentals of the peasantry in Benue State

The peasantry in Benue state typifies several disabling attributes in relation to the power of the state and the market. These find expression in their non-existent self-political mobilization, organization and affiliation; restricted engagement with the state, class unconsciousness, and marginal role in the market economy. These characteristics of the peasantry (see Table 1) lend effective support to forces that channel the interests of this group to political and economic ends.

Table 1: Characteristics of respondents

Variable	No.	% of Sample
Primary Occupation of respondents		
Farmer	243	64.5
Trader/Business owner	11	2.9
Artisan	8	2.1
Farm labourer	3	.8
Wage/Salary earner	112	29.7
Total	377	100
Secondary Occupation of respondents		
Farmer	168	44.6
Trader/Business owner	111	29.4
Artisan	7	1.9
Farm labourer	17	4.5
Wage/Salary earner	56	14.9
Others	18	4.8
Total	377	100
Income Distribution (Annual in Naira)		
<200,000	211	56.0
200,000-400,000	75	19.9
401,000-600,000	44	11.7
601,000-800,000	24	6.4
>801,000	23	6.1
Total	377	100
Membership of farming associations		
All Farmers Association of Nigeria (AFAN)	34	9.0
Commodity Associations	111	29.4
None of the above	232	61.5
Total	377	100
Farmers use of crops		
For feeding	52	13.8
Feeding/and selling	325	86.2
Total	377	100

Source: Field Survey (2016)

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A link has been drawn between the nature and extent of consciousness on the political participation of groups and their potential to benefit from distributive policies of the state (Petterson, 1980; Miller et al., 1981; Salhofer et al., 2000). According to Miller et al. (1981), participation does not simply reflect conditions experienced by people. The important link between social experience and political participation is how people perceive and evaluate their position. In essence, this is a function of consciousness since as they argue, if the experience is politicized through group consciousness and assessments of social justice, it can motivate political action. What constitutes the critical element in the process, they argue, is the translation of personal experience into collective action mediated by an evaluation of a group's relative position in society. It is the ability to develop a systemic as opposed to self-directed explanation for one's current status. The process of participation motivated by consciousness is, however, largely dependent on the availability of relevant resources such as levels of education, income, occupational status and organizational membership. Where these are sufficiently available, participation in the political arena is enhanced.

Group and political consciousness of the peasantry in Benue state is measured against the level of affiliation with formal farm associations. Statistical details from Table 1 graphically demonstrate limited organization of smallholders depicted here as the peasantry, where up to 232 respondents comprising 61.6 of the sampled population do not belong to any farming association. Only 9.0% belong to the All Farmers Association of Nigeria (AFAN) which is the umbrella body of all the farmers in Nigeria. Although the data did not seek to establish explanations for limited membership of formal and officially recognised farm associations, scholarly expositions on the peasantry from other locations bearing on the subject provide some level of illumination.

For instance, Sithole et al. (2003) writing on the peasantry in Zimbabwe, argue that due to repeated poor performance of official programmes of intervention in rural agriculture, peasants have developed suspicion for such official programmes and interventions. There exists a related tendency by mostly peasants of low or no education to view any formal social structures as emanating from the government and thus best avoided as previous engagements led to unsavoury experiences. A probable inference from this is, whereas peasants do not reject social or occupational associations, they tend to treat formal and officially recognised structures with suspicion, thus, limiting their engagement with such bodies. While data in Table 1 indicates that the peasants see some level of relationship between membership of farm association and access to subsidized fertilisers; they are paradoxically low in membership of such associations.

Activities of politically conscious groups exercise moderating pressures on actions of the political elite as agents of the state but the peasantry lacks this leverage. Even where informally organised, peasant bodies do not mainstream engagement with the state in their objectives where self-help constitutes the paramount motivation for such organisation. The lack of formal organization is politically disabling for the peasantry due to the absence of altruism as the defining motivational denominator for political decisions and actions. On attainment of public office, political leaders are primarily concerned with securing and protecting their hold on power (Ake, 1973; Southall, 1974; Chabal, 1998), not enthused by public welfare sentiments. Individuals and groups obtain concessions from the state independent of preferences of the political elite.

Another vitally disabling characteristic of the peasantry relates to the scale of agricultural production and market behaviour. Valtonen (2000) rejects the dual economy model that depicts the peasantry as existing and operating within an exclusively peasant mode of production. Benue peasants are also market participants with 86.2% producing both for the market and consumption (Table 1).

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However, marginality, insufficient market intelligence, deficiency in market power and the mental construct of a subsistence economy qualifies peasant presence in the market. Subsistence paradigm precludes treatment of farming as a business but fundamentally as a facilitator of day to day survival. The manifest features of peasant existence deriving from the preceding postulations arguably include ignorance, complacency, docility, timidity, gullibility and vulnerability demonstrated in little or zero questioning of the nature and character of state-market-peasant engagements. This mental disposition precludes political or social action in the face of official neglect and market based exploitation.

Politics, rent seeking and deprivation

Fernando (2013:229) identifies the interest of the political elite in accumulation as the primary factor in the way it pursues necessary economic growth and discharges its obligation to adjudicate competing demands for economic resources in Kenya. This is true of most other African countries if as Sklar (1979) wrote, political power rather than the ownership of means of production is the chief instrument of accumulation and political domination in Africa. Politics which objectifies as 'leadership choices and management of intense competition by political groups for limited resources' to Fernando is, therefore, critical for the selection and implementation of development policies. The nature of the state in Nigeria particularly renders a politics focused understanding of policy and its outcomes apt. This flows with Fernando's (2013:230) argument that the politics of policy equates with "leadership choices on resource allocation and effectiveness of implementation". The nature and character of the Nigerian state reminiscent of the colonial state fixated on appropriation and expropriation of economic surplus fits into the depiction of a state as an enterprise (Hoffman & Graham 2009) rendering it a highly suitable actor for such an analytical focus. Agricultural intervention policy is an area to explore the extractive intent of the state where the 'what's in it' consideration of the political elite is hardly masked.

Disregard for smallholder interests in policy is not peculiar to Nigerian policy elite. As Valtonen (2000:16) writes on Mexico, guiding principles behind agrarian policies have persistently subsumed the agrarian sector to other sectors; and within the agrarian sector, the interests of the peasant (smallholder) sector to those of the commercial subsector. Operating on the fringes of an economy with a state-market mix, smallholders function under the domination of state-market collaboration within a system of structural violence where the established political, economic and social structures inadvertently limit their access to the means of production, in this case, agricultural input as well as their own produced surplus. According to an interviewee who is an out of office member of the political elite in Benue state,

> the peasantry (smallholder) is not politically conscious or organized sufficiently to demand and obtain concessions from the political elite. It is a sack of potatoes not a revolutionary class. Only a political elite with the political will to empower farmers will change the fortunes of farmers as they are unable to engineer a change of their own condition (interview with a former commissioner of agriculture, 19 May 2016, Makurdi).

Thus, the quest for political power is not for solving basic problems with state resources but for accumulation. An examination of different fertiliser procurement and distribution systems, namely the Universal Fertiliser Subsidy, the Growth Enhancement Support (GES) scheme, the Agricultural Promotion Policy (APP), and the Anchor Borrower Programme (ABP) operated in the state from 1999 to date lends credence to this.

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Universal Fertiliser Subsidy (1999-2011)

The universal fertiliser subsidy system existed between 1999 and 2011 as a programme of the Federal Government with active participation of state governments. It involved direct participation of government in the procurement and distribution of fertilisers. Under this system, the government paid subsidy on fertilisers at source to contractors who imported them. A policy framework known as the Fertiliser Market Stabilization Programme (FMSP) provided the umbrella for the administration of the universal fertiliser subsidy. Under this scheme, the Federal Government provided a subsidy at source of 25% augmented in varying degrees by state governments depending on their capacities. In addition, states also procured and distributed fertilisers independently.

From interviews conducted with bureaucrats and politicians between October and November 2015, Benue state had a well organised distribution system with a priority on smallholders under the FMSP. Yet, only a small percentage of the total fertiliser procured and distributed passed through the officially designated channels and processes. This official process was largely circumvented by an "unofficial" distribution system that operated through networks of political patronage and rent-seeking of individuals acting in official capacity. Political criteria such as the perceived political worth of certain individuals and groups were decisive in the allocation of fertilisers. In most cases, fertilisers were simply deployed as instruments of electioneering where distribution was done few days to major elections or sometimes on the very eve in gestures tagged philanthropy. From 1999 through 2011, the MANR was a cash cow solely on fertilisers in Benue State. A former commissioner of agriculture paints a graphic picture of what obtained during the period as follows:

> After obtaining fertilisers, the state allocated the fertiliser using mainly political criteria such as political patronage. The subsidized fertiliser was allocated to politicians and absentee farmers who then resold it to fertiliser merchants and made profit for themselves. Fertiliser provided by the state government was on sale to farmers for ₦2000 with an additional management fee of ₦ 200 added by the ministry of agriculture. However, politicians who obtained a bag of fertiliser for ₦2200 sold it to merchants for ₦2500 or even ₦3000, making a huge profit on each bag. The merchants, in turn, sold to the farmer at ₦5000 or ₦ 6000 (interview with a former commissioner of agriculture 19 May 2016, Makurdi).

This distribution chain was mediated by bureaucrats who used fronts to reap huge rents. The commissioner told the story of his classmate who amassed a lot of wealth acting as a front for an un-named director at the Federal Ministry of Agriculture and Rural Development (FMARD). Bureaucrats effectively frustrated the government's intention to distribute fertilisers to smallholder farmers at a subsidy. According to the interviewee, any political appointee who tried to make things work usually encountered strong opposition from the bureaucrats especially those at the top. In the federal government's self-assessment of the system, it was fraudulent and inefficient since only 11% of intended beneficiaries had access to subsidized fertilisers (FMARD, 2011).

The Growth Enhancement and Support (GES) scheme (2012-2015)

The main distinguishing feature of this system was the withdrawal of government from direct involvement in the procurement and distribution of fertilisers and refocusing subsidy from universal to targeted beneficiary. The operational policy framework was known as the Agricultural Transformation Agenda (ATA). The GES used vouchers to distribute fertilisers to farmers who were required to register with their mobile phone numbers. To obtain fertilisers, a message was sent to their phones indicating

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where, when and what quantity and type of fertilisers they were to collect. The requirement was that they pay a percentage of the price of the commodity at the point of collection. The balance of the cost was paid to the fertiliser dealer or merchant on presentation of the necessary documents to the designated government agent. The targeted voucher system was developed by the International Fertiliser Development Centre (IFDC) with the objective of introducing smart subsidies that got fertilisers directly to the farmers and also to stimulate a thriving private sector fertiliser industry. Another objective was to correct the distortions and inefficiencies created by the direct involvement of government in the procurement and distribution of fertilisers.

The GES under the ATA improved access of smallholders to fertilisers by reducing the diversion and deployment of fertilisers for political patronage. Between 12 and 14 million farmers obtained at least two fifty kilogram bags of fertilisers each across the nation in 2012 alone (FMARD, 2016). In Benue state, the GES component was managed by the Federal Ministry of Agriculture and Rural Development (FMARD) from their office located in Makurdi known as the Green House. However, in Benue state, the GES was only a minor component of the total fertiliser distributed. The state continued to procure and distribute fertilisers under the universal subsidy scheme and only facilitated the registration of farmers for the GES. According to a former commissioner of agriculture, state bureaucrats and politicians undermined and sabotaged the system through the registration of fictitious farmers because the registration done in 2012 and 2013 did not involve bio-metrics (interview, 19 May 2016, Makurdi). While the GES was an improvement over the universal subsidy, it failed to eliminate the most pernicious ill in the management of pro-poor strategies better described as the phenomenon of elite capture.

The Agricultural Promotion Policy (APP) (2016- 2021)

The Federal Government of Nigeria launched the APP in 2016 to consolidate the gains of the ATA for Nigerian Agriculture (FGN, 2017). It focused on the identification of key value chain constraints and the development of measures for addressing and eliminating them. The Presidential Fertiliser Initiative (PFI) was designed as a component of the APP to remove the identified value chain constraints which included the adulteration of fertilisers, ill-timed availability, institutional constraints such as state apathy towards the adaptation and execution of federal government programmes.

Highlights of the PFI were abolition of subsidy which was very remarkable as all previous fertiliser schemes involved some form of subsidy whether universal or targeted. The withdrawal of government from the procurement and distribution of fertilisers also remained a feature of the PFI under which fertiliser business was designated as a private sector concern and encouraged through several policy measures. One such measure was the agreement between the Fertiliser Suppliers Association of Nigeria (FEPSAN) and the Moroccan state owned Office Chérified des phosphate SA (OCP) for the supply of discounted phosphate to support the domestic supply of fertilisers in Nigeria, facilitated by the federal government. Other components required for the blending of fertilisers were also sourced locally with the support of the government.

Apart from the deal with the OCP, the PFI required the establishment of fertiliser blending plants by contract blenders all over the country. These contract blenders received their supply of phosphate from the FEPSAN, blended and supplied fertilisers to dealers who then retailed to farmers at an officially pegged price of ₦5,500. The PFI was established as a revolving self-sustaining fund. The goals of the PFI were to enable the domestic production of fertilisers, guarantee the quality of fertilisers in the market, and eliminate arbitrage through a uniform price for fertilisers across the country. Others

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were to encourage the consumption of fertilisers by smallholders through moderate pricing of the commodity and penetration of rural markets by the commodity.

Assessment of the PFI brings to light several positives and a few drawbacks. A notable and commendable feature of the PFI was the complete elimination of official subsidies on fertilisers. The history of subsidy administration in Nigeria has been fraught with abuses and fraud not only in the fertiliser sector but also in the importation of petroleum products. The inconsistencies, discrepancies and outright fraud involved in the administration of fertiliser subsidies in Nigeria were virtually intractable both at the federal and state level. While a lot of strong arguments had supported fertiliser subsidies, the practicalities of implementation defeated such arguments and rendered them irrelevant. For instance, there was the issue of high cost of fertilisers and low income of smallholders. Fertiliser subsidy could not address these concerns. Low income earners paradoxically paid high prices for subsidized fertiliser that had found its way to the open market through the rent-seeking and arbitrage behaviour of state agents. While the government was investing heavily in funding fertiliser procurement for cheaper access to poor farmers, it only led to the accumulation of wealth by bureaucrats, politicians and their business associates. It was therefore a positive move that under the PFI, subsidy on fertiliser finally ceased to exist.

Another positive of the PFI is the stimulation and involvement of the private sector through the use of contract blenders in every state of the federation. The overbearing presence of the government under the previous fertiliser management systems crowded out the private sector by stunting its input markets. With the PFI, contract blenders produce and supply to dealers who then retail to farmers. This completely eliminates any role for government agents. The fertiliser sector is finally allowed to operate as a private sector concern thereby eliminating opportunities for rent-seeking as no government agent has the power to decide who gets fertiliser and does not.

While the phenomenon of rent-seeking has been apparently reduced, politics still remains a key issue in the management of fertilisers because it is embedded in PFI and its umbrella APP. Despite the laudable provisions of PFI, the insistence by the federal government on a uniform price for fertiliser was largely a political gimmick. According to findings from an interview with an agro dealer (interview, 31 March 2018, Makurdi), retailing fertilisers at ₦5,500 was not profitable given the combination of cost of procurement from the contract blenders, loading, offloading and warehousing. By a behind the scene arrangement, fertiliser dealers are allowed to sell at prices that will give them a good profit margin while the government insists that the price of fertilisers has been brought down from the previous ₦8000 or even ₦9000 in some cases to the affordable price of ₦5,500. While the price of fertilisers has been reduced, it is not sold for ₦5,500 everywhere across the country. Government's subsidy claims are merely for scoring political points. In fact, one of the touted achievements of the administration of Muhammadu Buhari during the 2019 presidential campaigns was the reduction in the price of fertilisers and its wide availability throughout the country.

Another evidence of the continuation of politics and rent-seeking is the involvement of governors in the selection of contract blenders for their states. An interview with a fertiliser dealer (interview, 31 March 2018, Makurdi), indicates that he was personally dissatisfied with the Benue governor's choice of contract blender who was actually a front for the governor. His grievance was the failure of the governor to appoint him even though the most experienced in the fertiliser business in the state.

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Besides, the government is still heavily involved in fertiliser business through importation of phosphate from Morocco, the pivot of PFI. Operationally, PFI is designed to function as a self-sustaining revolving fund. According to the Federal Government (2017), the Central Bank of Nigeria (CBN) is providing funding for the PFI but this is not an agricultural intervention fund paid directly to blending plants. The Nigeria Sovereign Investment Authority (NSIA) manages a 9% per annum fund on behalf of FEPSAN on CBN mandate, through a Special Purpose Vehicle, known as NAIC-NPK Limited (where NAIC = 'NSIA Agricultural Investment Company'). After obtaining and paying for fertiliser raw materials, NAIC-NPK Limited delivers them to FEPSAN which in turn supplies them to the blending plants already signed on as contract blenders which are paid a fee by NAIC_NPK (FGN, 2017).

The responsibility of the blending plants is to produce, bag and sell the finished fertiliser to Agro-dealers and State Governments at the cost of ₦5,000 per bag, and remit this revenue to NAIC-NPK Limited for re-investment into the next phase of production. By this arrangement, the government is technically involved in the production of fertilisers given the all-important role of funding in any process of production. Also, most of the fertiliser consumed in Nigeria is a blend of Nitrogen, Phosphorus and Potassium (NPK) with phosphorus constituting up to 21% of the content (FGN, 2017). The implication is that control over the most critical raw material for fertiliser production still lies with the government and is therefore subject to some of the challenges that arise where the rent-seeking state becomes involved directly as a participant in the production process.

The Anchor Borrower Programme (ABP) (2016-2021)

The Anchor Borrower Programme (ABP) is another programme established under the APP of the administration that began in 2015. Like the PFI, the ABP was established in 2016 and is funded by the Central Bank of Nigeria from a ₦220 billion Micro, Small and Medium Enterprises Development Fund (MSMEDF). Under the ABP, single digit interest loans are given to farmers who are required to organise themselves into cooperatives. Smallholders participating in this programme are provided with agricultural inputs such as seeds, herbicides, pesticides, fertilisers and cash. Other components of the programme include training of beneficiaries in the management of agriculture as a business and not just a means of subsistence. The ABP has succeeded in raising inclusivity for accessing agricultural credit by lowering the requirements for loan beneficiaries. The main requirement is a cross guarantee by members of a cooperative and a 5% minimum equity contribution. A proactive component of the programme is the existence of off-takers who are agro-processors that buy off the produce from farmers at harvest to guarantee both a market and stable prices for farmers' produce.

On the flip side, the involvement of the state in the disbursement of these inputs has already produced allegations of diversion of some of the components as beneficiaries claim they did not receive everything that was part of the package. According to some who were interviewed (interviews conducted 9 August 2018, Makurdi), the cash component could not be accessed even after repeated visits to the ministry and the Bank of Agriculture in the State. From participant observation, the process of disbursement is poorly organized with potential beneficiaries spending several hours each day of a whole week or more before gaining access to allotted inputs. The rice seedlings that were provided as a part of the inputs did not germinate and beneficiaries had to purchase seedlings from the market. As a credit scheme, it appears the process of loan recovery is weak while most of those agricultural loans end up as non-performing loans. In one interview, one of the beneficiaries dismissed the requirement of having to repay the loan describing it rather as his share of the national cake.

The marginalization of the peasantry also showed up in the operational aspect of this programme as it was dominated and is still dominated by urbanites especially civil servants, teachers and academics.

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It is doubtful whether the peasant rural populace received sufficient information to enable them participate in this scheme. However, this is a matter of speculation as it could not be confirmed in the study. The undeniable fact is that they did not constitute a majority of the beneficiaries.

The eligibility of civil and public servants to participate in the ABP derives from the official recognition of all Benue residents as farmers and as such should benefit from official funding of agriculture. The downside is, however, the fact that peasants are again edged out due to their inherent disadvantages. Urban dwellers are more educated, have more access to relevant information and easily meet the requirement of organizing themselves into cooperatives as required by the programme. While urban based part-time smallholders are able to obtain some input through the ABP, there have been unconfirmed allegations of massive access to ABP farm inputs by very highly placed political personalities in the state. This alleged interference prevented some beneficiaries from accessing the cash component of the inputs. To some extent, the multiple challenges of non-germinating seedlings, disproportionate access by political strongmen and non-access to the cash component might negatively affect the ability of beneficiaries to repay their loans as the ABP is not a grant scheme but a loan to be repaid by the beneficiaries.

Structural violence and access of the peasantry to fertilisers

The Benue peasant operates on the fringes of an economy with a state-market mix, actively dominated by the state and market within the frame of a system of structural violence; where the functioning of formally established political, economic and social structures inadvertently limit its access to the means of production, in this case, agricultural input as well as restricts its access to its own produced agricultural surplus. The functioning of class defined structures with active collaboration between the political elite and the merchant class lends empirical strength to the theoretical postulation of structural violence. Deprivation experienced by the farmers belonging to a subservient social category or class arises from their placement in the social structure. Official policies are circumscribed by social structures given the power of the dominant forces identified here as the elite. Higley (2008) supports this position with the argument that the elite tends to persist and reproduce their power overtime at the political and economic levels, potentially undermining the effectiveness of institutionalized programmes and reforms.

The marginalization of peasants is a recurrent decimal in official programmes designed with the primary objective of improving their economic opportunities. Table 2 shows that only 32 respondents representing a mere 8.5 per cent accessed subsidized fertiliser every cropping season; 40.6 per cent accessed it intermittently while a whopping 41.9 per cent claimed that subsidized fertilisers have never come their way. By profiling the actions of bureaucrats and politicians in the management of programmes, it has been demonstrated how the peasant always ‘ends up with the short end of the stick’. Notwithstanding the culpability of the political elite (politicians and bureaucrats), the peasants are also part of the problem of their emasculation. According to Imoagene (1989), peasants cannot systematically express and realise their class interests. This is because they do not possess the consciousness of their class defined existence. They are not conscious of and also do not grasp the fact that the restrictions on the quantity of fertilizers they access yearly are due to their placement within the social structure.

While Nnoli (1978) prioritised ethnicity as a factor for inequality and deprivation, Coghlan and Huggins (2004) demonstrated the structural character of economic and political deprivation by utilising simulation exercises to show the salience of social stratification in creating and perpetuating economic

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and social inequalities. The outcome of the simulation exercises also includes tendency of the dominant group to hold the underprivileged responsible for their deprivation. For instance, cultivation methods and post-harvest management practices of the peasantry are viewed as less fitting for policy goals of agricultural development (Ake, 1996; Morgan and Solarz, 1994; Olayemi, 1980). Thus, even where formal policy provides room for the demands of peasant production, a seeming auto-pilot in the psychology of executors of policy finds enough room to manoeuvre them (peasants) to the fringes leading to their poverty and marginalization.

Table 2: Access to subsidized fertiliser

Access to subsidized fertiliser		
Never	158	41.9
Some cropping seasons	153	40.6
Every cropping season	32	8.5
No response	34	9.0
Total	377	100

Source: Field Survey, 2016

The peasantry in Nigeria and especially Benue state has also demonstrated a marked inability to leverage the voting power inherent in its large numbers as a bargaining chip in engaging the state due to a related inability to think strategically on its long-term interests. It exists in a response mode lacking political pro-activity and only reacts to the actions of the state or the market, which are constantly poised to extract surplus created by the peasantry. Unlike the peasantry with low political and class consciousness, the political elite and the merchant class through common or similar education and similar patterns of consumption have developed class consciousness that sets them apart from uneducated or less educated groups with largely different patterns of consumption. Where class differentiations are properly factored in, it becomes obvious that exploitation, opposed interests and conflict constitute the defining factors for the differences in access to fertilisers by different groups.

The political elite in Nigeria exploit the political weakness of the peasantry by using the number leverage of the latter against it as well as capitalise on the needs and poverty of the peasantry for political advantage. A good example is that instead of devising policies and measures to ensure constant availability of fertilisers so that farmers can access them when needed and enable the political elite build productive capacities over time and stabilise political support from the peasantry; such fertilisers are distributed sometimes free to rural voters during electioneering only in order to sway voters with a focus on short term and immediate political support.

The attitudes and behaviour of the political elite towards the peasantry while remaining the same in fundamental terms changes in tactics and measures depending on the nature of the value or surplus derivable at any material point in time. During the colonial era, the peasantry was required to provide commodities that were deliberately poorly priced, pay taxes and provide free or forced labour. The appropriate policies were therefore created to facilitate surplus extraction through commodity boards and farmers' cooperatives. According to Williams (1980) capitalist farmers could not dislodge peasant producers because of the ability of peasants to use resources more effectively and therefore produce more cheaply, which suited European trading companies who controlled the price of commodities because profit making was made easy with peasants operating as indirect slaves with no market control over their produce.

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The view of the peasantry as suited only for surplus extraction has also persisted as a colonial legacy where the exploitative logic paradoxically produces a disdain for peasants and their productive systems. The prevailing perception is that peasants are best kept in their place given their proven resilience. Left to their own devices, peasant producers are still able to supply the urban populations with required food and therefore do not require particular attention or meticulous attention to details of implementation of policies that target them. For surplus to be extracted from the peasantry, it is not necessary to show policy committed in investment as surplus can be extracted without such hassles. Class mobility is not a requisite for peasant existence, the daily survival and subsistence of the peasant is sufficient.

All that is required for exploitation is for the peasant to be alive and continue in basic production. The design and execution of agricultural policy is informed basically by this view of peasant agriculture as unsuited for sustained economic development (Olayemi, 1980). For instance, several interviewees of the top political players were of the view that the peasantry do not possess the productive capacity to provide input for agro based industries given their low acreage of cultivation and use of only basic tools for cultivation as well as low technology utilization. The consequent policy behaviour is emphasis on farm mechanization leading even to solicitation for Foreign Direct Investment (FDI) in agriculture deriving from the perception that requisite local capacities are lacking for expansion in agricultural productivity especially such that will drive agro based industrialization.

The paradoxical need to extract surplus without a policy commitment to the transformation of peasant productive systems creates a lack of consistence in policy that concomitantly produces ambivalence and even outright suspicions by peasants of official programmes and interventions in agriculture (Sithole et al., 2003). Official programmes and interventions in agriculture are not enthusiastically embraced by the peasantry given previous disappointing experiences. With such low psychological and emotional engagement with official programmes, the motivation to ensure that policy implementation follows the rule of the book is lacking from the beneficiaries, as such policy executors operate largely with a lot of personal discretion consequently providing room for arbitrage and the seeking and obtaining of official rents from the process of fertiliser procurement and distribution.

Conclusion

The unrelenting marginalization of the peasant by the political elite within the agricultural economy is explainable as a function of state failure in the enterprise of development of the means of production. Given the low level of the development of productive forces, the state becomes an active participant in wealth allocation in a quasi or peripheral capitalist economy. Subsidy regimes have particularly proven very useful as tools for hidebound allocation of public wealth. Channels of accumulation have also consistently flowed from bottom up, from the peasantry to the political elite with the political elite and merchants (economic elite) having access to productive capital and the peasantry lacking access to same.

The behaviour of the political elite lends strength to Ake's (1981) characterization of the state as lawless, with an implausible system of justice where its coercive instruments place themselves above the law and the people below. The operations of state especially in the allocation and consumption of public resources is not in keeping with the notion of a *res publica* or *res populi* as contended by Cicero (Sabine and Thorson, 1973), negating the idea of the state as a commonwealth. A situation where a handful of citizens dispense with public resources at will while denying others the right to the same fictionalises

equality espoused in the laws of the land, and validates the existence of inequality actively promoted by the state through the politics of policy.

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