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TRENDS OF BUDGETARY ALLOCATION TO AGRICULTURE AND AGRICULTURAL OUTPUT IN NIGERIA DURING MILITARY REGIME (1983-1998)

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ABSTRACT

The study evaluated the trends of budgetary allocation to agriculture and its impacts on agricultural output in Nigeria during military regime (1983-1998). Time series (secondary) data obtained from Central Bank of Nigeria (CBN) and National Bureau of Statistics (NBS) publications were used for analysis. The data collected were analysed using descriptive statistics (mean, maximum and minimum with graphs and trend models) and inferential statistics (Autoregressive Integrated Moving Average [ARIMA] and ordinary least square [OLS] regression model, t-test and F-test). The findings revealed that trends of budget allocations to agriculture were inconsistent during the military regime to the extent that the instantaneous growth rate of budget allocation to agriculture during the military regime was -5.25% while the compound growth rate was -5.15%. Also, the instantaneous growth rate of agricultural output during the military regime was 6.32% while the compound growth rate was 6.50%. The effect of budget allocation to agriculture on agricultural output showed a unit increase in budget allocation which led to increased agricultural output by 0.15% during the military regime with a coefficient of determination (\mathbb{R}^2) of 0.67% revealing that budgetary allocation to agricultural sector has significant effect on agricultural output in Nigeria and that the relationship between them is strong, positive and significant (P 0.0001). The agricultural output was forecasted to be about ₦17, 000,000.00 in the year 2025. The study recommended that budgetary allocation to the agricultural sector should be increased and properly monitored to guarantee increased agricultural output, food security, employment and overall economic growth and development in Nigeria.

Keywords: ARIMA, Budget, military, Regime, Trend.