

# SS1 Economics Lesson Note Third Term

## ECONOMICS

### SS1 THIRD TERM

#### WEEK TOPIC

#### Week 1 REVISION OF SECOND TERM UNIFIED EXAMINATION

- DISTRIBUTIVE TRADE
- MEANING
- CHANNEL OF DISTRIBUTION
- PROCESS OF DISTRIBUTION
- WHOLESALERS (FUNCTIONS TO PRODUCERS AND RETAILERS)
- RETAILERS (FUNCTIONS TO WHOLESALERS AND CONSUMERS)

#### Week 2

#### MIDDLE MEN

- ARGUMENT FOR OR AGAINST THE ELIMINATION OF MIDDLEMEN
- PROBLEMS OF PRODUCT DISTRIBUTION IN NIGERIA
- WAYS OF IMPROVING THE SYSTEM OF DISTRIBUTION OF CONSUMER GOODS IN NIGERIA
- ROLES OF GOVERNMENT AGENCIES IN PRODUCT DISTRIBUTION

#### WEEK 3

#### MONEY

- DEFINITION OF MONEY AND ITS ORIGIN
- TRADE BY BARTER SYSTEM AND ITS DEFICIENCIES
- TYPES OF MONEY (INCLUDING CREDIT CARD, VALUE CARD, ICT, AIDED PAYMENT INSTRUMENTS SUCH AS ATM, CASHLESS TELLER MACHINE, QUICK TELLER, PAGA, ETC.)
- CHARACTERISTICS OF MONEY
- FUNCTIONS OF MONEY

#### WEEK 4

#### FINANCIAL INSTITUTIONS

- MEANING OF FINANCIAL INSTITUTIONS
- TYPES (TRADITIONAL, COMMERCIAL BANKS, MEANING, FUNCTIONS AND CREATION
- OF CREDIT AND ITS LIMITATION

#### WEEK 5

## **CONCEPT OF DEMAND AND SUPPLY**

### **DEMAND**

- MEANING OF DEMAND
- LAW OF DEMAND
- SCHEDULE AND CURVE
- TYPES OF DEMAND
- FACTORS AFFECTING DEMAND

### **WEEK 6                    SUPPLY**

- MEANING OF SUPPLY
- LAW OF SUPPLY
- SCHEDULE AND CURVE
- TYPES OF SUPPLY
- FACTORS AFFECTING SUPPLY

### **WEEK 7**

#### **EQUILIBRUM PRICE/PRICE DETERMINATION**

- MEANING
- USE OF HYPOTHETICAL SCHEDULE AND GRAPH TO DETERMINE EQUILIBRIUM PRICE
- CALCULATION FROM HYPOTHETICAL TABLE FROM EQUATIONS OF DEMAND AND SUPPLY.
- MEANING AND FUNCTIONS OF THE PRICE SYSTEM AND OTHER MEANS OF DETERMINING PRICES.

### **WEEK 8**

#### **THE NATURE OF THE NIGERIA ECONOMY**

- GENERAL OVERVIEW OF THE NIGERIA ECONOMY
- NATURE AND STRUCTURE OF INDUSTRIES IN NIGERIA
- CONTRIBUTIONS OF PRIMARY, SECONDARY AND TERTIARY SECTOR
- EXPLAIN ECONOMIC ACTIVITIES OF THE SIX – GEO POLITICAL ZONES

### **WEEK 9**

#### **AGRICULTURE**

- MEANING
- COMPONENTS/STRUCTURE
- SYSTEMS OF AGRICULTURE
- CONTRIBUTIONS TO THE ECONOMY
- PROBLEMS AND SOLUTIONS OF AGRICULTURE
- AGRICULTURAL POLICIES IN NIGERIA (OFN, RBOA, NAFPP, GREEN REVOLUTION)

### **WEEK 10**

#### **MINING**

- MEANING
- COMPONENTS OF THE NIGERIAN MINING INDUSTRY
- MINERALS (TYPES, USES AND LOCATIONS)

## **WEEK 11 REVISION**

## **WEEK 12 EXAMINATION**

## **WEEK 1**

### **DISTRIBUTIVE TRADE OR CHAIN OF DISTRIBUTION**

The term distributive trade or chain of distribution simply refers to the various stages which finished products pass before reaching the final consumers from the producer.

#### **Chain or Channels Of Distribution**

Manufacturer/Producer

Wholesaler

Retailer

Final Consumers

#### **Process of Distribution**

The process of distribution of goods involves all human and physical means which aid the smooth transfer of such goods from the manufacturer to the final consumers

#### **The process of distribution involves the following:**

1. Middlemen
  2. Transportation
- Advertisement
1. Warehousing

### **THE WHOLESALER**

A wholesaler is a trade who buys goods in large quantities from the manufacturer or producer and sells in small quantities to the retailers

### **Economic functions of the wholesaler**

1. The wholesaler buys in bulk from the producer or the manufacturers and sells in small quantities to the retailer.
  2. He breaks the bulk for the retailer.
- He finances producers by ensuring prompt payment to the manufacturer and this will facilitate production processes.
1. The wholesaler provides warehousing or storage facilities .
  2. The wholesaler gives vital information about market situation to the producer .

### **FUNCTIONS THE WHOLESALER PERFORMS TO THE MANUFACTURERS**

1. **Bulk Breaking**:- The wholesaler purchases goods in bulk or large quantities from the manufacturer and sells in small quantities to the retailers
  2. **Advertising**:- The wholesaler helps in carrying out product advertising and sales promotion and by doing, creates an awareness for the products
- **Credit facilities**:- The wholesaler can give credit facilities to the manufacturer, sometimes by paying upfront for the products.
1. **Price stability**:- He helps to prevent price fluctuation by stocking the goods until they are demanded.
  2. The wholesaler provides warehouses for the storing of goods.
  3. He finds market for the manufactured goods

### **FUNCTIONS THE WHOLESALER PERFORMS TO THE RETAILERS**

1. The wholesaler provides credit facilities: - The wholesaler allows retailers to buy on credit and pay for the goods later.
  2. The wholesaler makes goods available in small quantities: - Wholesaler carries large stock of goods and divides it into small quantities in order to sell to the retailers
- The wholesaler stabilizes prices of goods
1. Transportation services: The wholesaler help to transport or convey goods to the retailer's .....
  2. Advertising of goods: - By embarking on advertising or sales promotion, the wholesaler can help in creating awareness for the products on behalf of the retailers

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**THE RETAILER**

A retailer can be define as a trader who buys goods in small quantities from the wholesaler and sells in bits or units to the final consumers

Characteristics of the retailer

- 1. Retailer sells in units or bits
- 2. They sell directly to the final consumers
- Retailers stock and sell a wide variety of products
- 1. They are the final link in the chain of distribution of goods
- 2. Provides goods on door – to – door basis

**Functions of A retailer**

- 1. A retailer serves as a link between the wholesaler and the final consumers
- 2. A retailer makes goods available to the consumers at convenient places and times
- 3. A retailer enables the consumers to have a wide range or variety of goods
- 4. A retailer sometimes gives reliable consumers credit facilities
- 5. A retailer gives information to wholesalers on what the consumers require
- 6. A retailer provides personalized services such as after – sales services like installation, repairs, servicing, etc. to the consumer
- 7. A retailer ensures door-to-door services
- 8. A retailer gives advice to the consumers

**DIFFERENCES IN FUNCTIONS BETWEEN THE WHOLESALER AND RETAILER IN THE DISTRIBUTION OF COMMODITIES**

S/N	WHOLESALERS	RETAILER
1	The wholesaler links the producers with the retailer	The retailer links the wholesalers with the consumers
2	The wholesaler buys in large quantities from the manufacturer and sells in	The retailer buys in small quantities from the wholesaler and sells in units or bit to final

	small quantities to the retailer	consumers
3	The wholesaler stocks limited varieties of goods in his warehouse	The retailer stocks several varieties of goods in his shop making it possible for consumers to make choice.
4	The wholesaler acts as an intermediary between the retailer and the manufacturer	The retailer acts as an intermediary between the wholesaler and the final consumers.
5	The wholesaler provides useful information about the goods to the producer	The retailer provides useful information to the wholesaler concerning market situation.....products
6	The wholesaler provides technical advice to retailers	The retailer provides technical advice to the consumers
7	The wholesaler does not embark on door -to- door selling	Retailer sometime embarks on door-to-door selling
8	Wholesaler makes use of big warehouse	Retailer requires small warehouse
9	Wholesalers brand, grade, package and label goods	Retailers do not grade or repackage the goods

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**Assignment**

1. Explain five (5) problems of product distribution in Nigeria
2. State two (2) roles of government agencies in product distribution
3. Who is a Retailer?
4. State five functions of a Retailer
5. Who is Wholesaler?
6. State five functions of Wholesaler.

## **WEEK 2**

### **MIDDLEMEN**

The middlemen are the wholesalers and the retailers who are in – between the manufacturers and the consumers in the distribution goods.

In other words, middlemen are the wholesalers and retailers who specialize in performing activities relating to the purchase and sale of goods in the process of their flow from manufacturer to final consumers.

### **DISADVANTAGES OR ELIMINATION OF MIDDLEMEN**

1. **Longer channel distribution:**The wholesalers and retailers make the channel of distribution of good longer
2. **Creating of artificial scarcity:** The wholesalers and retailers normally create artificial scarcity of products through hoarding
3. **Increase in Prices:** The middlemen also cause unnecessary price increase to the dismay of the final consumer
4. **Misinformation:** The middlemen sometimes misinform the consumers
5. **Fluctuation of price:** The middlemen can also cause price fluctuation, especially when too many of them are involved in distribution of products

## **REASONS OR CIRCUMSTANCES THAT MAY WARRANT THE BY-PASSING OF THE MIDDLEMEN**

1. **Increase in profit:**The producer can increase their profit a little and at the same time reduce prices for consumers through the elimination of middlemen.
2. **Cheap products:**Consumers are able to buy products at cheaper prices when the activities of both wholesalers and retailers are cut off.
3. **Packaging and branding done by manufacturer:**Most of the packaging and branding can be done by manufacturers thereby making the middlemen irrelevant
4. **Perishable goods:**Middlemen can be eliminated when perishable goods, e.g. tomatoes, are involved because the goods can easily get spoiled
5. The producer also sell directly to consumers if the goods produced are highly technical or made to individual specifications; e.g a specially made car

## **ADVANTAGES OR SURVIVAL OF MIDDLEMEN**

The middlemen have continued to wax stronger in spite of all strong arguments for their elimination. The middlemen continue to survive because the functions they perform to both the producers and ultimately to consumers cannot be performed by either the manufacturer or the consumers

Having gone through the functions of the wholesaler and the retailer, it becomes clear that they would continue to flourish.

## **PROBLEMS OF DISTRIBUTION AND MARKETING OF COMMODITIES**

1. Poor transportation network
  2. Numerous middlemen
- Inadequate capital or credit facilities
1. Inadequate storage or warehousing facilities
  2. Hoarding
  3. Inadequate demand
- Packaging problems
  - Inadequate information



## **WAYS OF IMPROVING THE SYSTEM OF DISTRIBUTION OF CONSUMER GOODS IN NIGERIA**

1. Construction of more good and motor able roads especially in rural areas where many of them do not exist
2. Improving the communication system in order to provide adequate information about the market situation to buyers and sellers
3. Provision of adequate storage facilities that all goods produced are not taken to the market at once
4. Establishment of more market places even in the rural areas
5. Reducing the number of middlemen
6. Formation of consumers co-operative societies that some goods will get to the consumers directly from manufacturers
7. Government should grant loan through financial institutions

## **ROLES OF GOVERNMENT AGENCIES IN PRODUCT DISTRIBUTION**

The Nigeria National supply Company Limited was set up in 1972 to supplement private efforts in product distribution, thereby helping to reduce the rate of inflation brought about by the scarcity of essential items in the country.

In order to bring down prices, it sometimes embarked on large-scale importation to reduce the scarcity of essential items. It supplied such essential commodities as rice, salt, sugar, milk, tomatoes etc.

It had warehouses and distribution centres in state capitals and many local government headquarters. The commodities handled by the N.N.S.C were distributed through the following channels;

1. Co-operative associations and ministries of co-operatives
2. Federal government ministries, state ministries corporations, government companies, and other establishments
3. Private firms with a sizeable number of employees
4. Appointed distributors
5. Direct sale of certain commodities such as sugar and salt to members of public

## **THE ROLE OF GOVERNMENT IN THE DISTRIBUTION OF COMMODITIES INCLUDES;**

1. Provision of transport system
2. Provision of storage facilities
3. Control of prices
4. Price stabilization
5. Prevention of artificial scarcity
6. Importation of essential commodities
7. Establishment of communication system

## **ASSIGNMENT**

1. What are the circumstances that can warrant the by-passing of the middleman?
2. Outline the economic activities that are likely to improve the effective distribution and marketing of commodities in Nigeria.

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## **WEEK 3**

### **MONEY**

Money is anything that is generally acceptable as a medium of exchange for making payments, settlement of debts or other business obligations.

Before the introduction of money, the type of exchange that took place was called trade-by-barter.

### **TRADE BY BARTER**

Trade by barter can be defined as the direct system and practice of exchanging goods for goods and service for service.

### **PROBLEMS OF TRADE BY BARTER**

1. Problem of double coincidence of wants: This involves looking for someone who is in need of what you have and at the same time has what you need.
2. It wastes time and energy: This is because, a person may use all his time going about in the market looking for someone who has what he wants and at the same time needs what he has.
3. Problem of indivisibility of some goods to be exchanged
4. Problem of storage or saving
5. Impossibility of large – scale production.
6. Problem of exchange
7. There was no standard for deferred payments.

## **HISTORICAL DEVELOPMENT OF MONEY**

Before the evaluation of money, exchange was done on the basis of direct exchange of goods. The exchange of good for goods is known as trade by barter. In order to overcome the problems inherent in trade by barter, money was introduced as medium of exchange. The development of money has passed through many stages depending upon the progress of human civilization.

The barter system gave way to commodity money. Various types of commodities like cows, arrows and cowries were used as medium of exchange. As a result of the inadequacies of commodity money and the spread of civilization, metallic money was introduced and people started using silver and copper. This was made into coins in order to ensure convince in exchange.

The development of paper money started with Goldsmiths who kept strong safe to store their gold. Whenever somebody keeps his gold with the goldsmith he would be given a receipt in return. Thus, thus eventually led to the development of bank notes.

The final stage in the development of money is the introduction of near money like bills of exchange and bonds. Recently, digital cash has been introduced.

## **TYPES OR FORMS OF MONEY**

**Coins:** Coins are money made of metal such as gold, silver, copper, zinc, etc. They have an official stamp of authority placed on them.

**Bank Notes:** Bank notes are made of paper issued by the Central Bank with amounts of money printed on them e.g. N50, N100, N500, etc.

**Bank Deposits (or bank money):** This is the money one keeps in one's bank account for safe-keeping which can be given back to the owner on demand.

**Quasi-Money (near money):** These include bills of exchange, promissory notes, money orders, postal orders and cheques. These are not legal tender. Though they perform some of the major functions of money, they are not real money. Most of them are not widely accepted for the purpose of payment.

**Legal Tender:** A legal tender is money which is backed with the force of law in a country which makes it generally acceptable as a medium of exchange.

**Token Money:** This is a form of money with a face value which is greater than the value of the metal content.

**Fiduciary Note:** Fiduciary note is an issued bank note not backed by gold but government securities.

## **QUALITIES OR CHARACTERISTICS OF MONEY**

**Acceptability:** Money must be generally acceptable by all in the society or country as a means of exchange.

**Portability:** The object that serves as money must be something that can easily be carried about from one place to the other.

**Homogeneity:** Each unit of money must be the same in size, colour and quality and be the same nationwide.

**Divisibility:** Money must be capable of being divided into smaller units which facilitates exchange of goods and services

**Relative Scarcity:** Money must be relatively scarce that is, it must not be too much in circulation or easy to come by otherwise, it will lose its value

**Recognisability:** Money must be easily recognized and identified by the totality of the people in the society so as to be able to detect counterfeit money.

**Stability:** The value of money must be stable over a period of time. The stability of its value will help business to be predictable and encourage lending and borrowing of money.

**Durability:** The object that will serve as money must be able to last long, it must not be a perishable commodity, it must be able to stand the test of time .

## **FUNCTIONS OF MONEY**

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**Medium of Exchange:** Money can serve as a medium through which people can exchange goods and services.

Buying and selling is facilitated by using of money.

**Money acts as a standard for deferred payments:** The use of money has made it possible for goods and services to be bought on credit and payment made at a later date. The settlement of debts at a later date is referred to as deferred payment.

**It serves as a unit of account:** Records of payments and receipts can be conveniently kept in monetary units. Money makes accounting possible because the worth of goods and services are measured in money.

Records of business transactions can easily be kept by assigning prices to goods and services and recording their value.

**It serve as a measure of value:** Since the value of goods and services can be expressed as prices, it becomes possible to use money as a yardstick for measuring and comparing the worth of goods and services as well as occupations.

**Money is used as a store of value:** Money is the easiest and most convenient means of storing surplus goods or wealth for future use.

1. What is Money?
  2. Highlight the problems of trade by barter
- iii. State five functions of money
1. List and explain five (5) types of money

## **WEEK 4**

### **Financial institutions**

Financial institutions are organizations which deal primarily in money. Financial institutions help to pool saving and excess liquidity from millions of individuals and firms within the country and make them available to those who require them for various purposes.

A bank may be defined as a financial institution set up purposely for safe-keeping of money, valuable goods and documents like wills and others.

### **THE ORIGIN OF BANK**

The first bank called the bank of Venice was established in Venice, Italy in 1157. But modern banking began with the English Goldsmith. It was such that they had to take special precaution against theft of good and jewelries.

In the 17<sup>th</sup> century, they began to accept money and other valuables from merchants and others for safe-keeping. As evidence of receiving valuables, they would issue receipts. Receipts were issued to those who deposited their valuables as evidence, and they paid the goldsmiths for their services.

As time went on, people started using the receipts issued by the goldsmith for the exchange of other goods and services. This exercise continued until it was modernized and named bank.

### **TYPES OF BANK**

Central Bank

Commercial Banks

Merchant Banks

Development Banks

Mortgage Banks

### **COMMERCIAL BANKS**

Commercial banks are financial institutions which accept deposits and other valuables from the public for safe-keeping, with the sole aim of making profit.

The loans are usually for short and medium terms. They are owned by private individuals, institutions or governments. Examples of Commercial banks in Nigeria are First Bank of Nigeria Plc., Union Bank of Nigeria Plc., Zenith Bank Plc., etc.

## **FUNCTIONS OF COMMERCIAL BANKS**

1. **Acceptance of Deposit:**commercial banks accept deposits from the public for state-keeping.
2. **Lending of money:**they lend money to industrialist, businessmen and other members of the public in form of loans and overdrafts.
3. **Safe keeping of valuables:**one of the functions of commercial banks is to keep customers' valuables such as jewelry, certificates, wills etc.
4. **Foreign exchange transaction:**commercial banks make foreign currencies available to their customers.
5. **Provision of commercial advice:**commercial banks encourage and advise businessmen on the type of project they should invest their money in.
6. Commercial banks help directly in economic development by investing directly in the productive sectors of the economy.
7. Commercial banks facilitate business transactions by making possible the use of cheques. This helps to solve the problem of having to carry about large amounts of money. It is safer to carry cheques than cash.

## **HOW COMMERCIAL BANKS CREATE CREDIT**

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Bank lending increase the quantity money in c circulation.

In other words, it increases the total purchasing power. The total purchasing power increases by the amount loans out. This is why it is said that bank lending creates money.

Commercial banks create credits (Money) in the following ways;

1. By giving direct loans to people and organizations and charging interest on the loans
2. By granting overdrafts to customers with current accounts, that is, allowing them to draw above the amount in their current accounts up to a certain limit and interest is charged on the overdraft: (An overdraft is the excess amount which a customer is allowed to draw over the amount he has in his current account)
3. By purchasing treasury bills from the government and by discounting bills of exchange.

## **CENTRAL BANK**

Central Bank usually a government- owned bank which helps to control and supervise the entire monetary and financial system of a country.

It regulates, directs, assists and co-ordinates the operations of other financial institutions so as to make them comply with the monetary and economic policies of the government.

Every country has only one central bank, whose motive is not to make profit to carry out the major financial operations of the central government of the country.

Nigeria established her own central bank in 1958, and it became operational in 1959. Central bank is the apex in a country.

### **FUNCTIONS OF THE CENTRAL BANK**

1. **Banker to the Government:**Central Bank is an agent and banker to the government. It controls public account, receives revenue on behalf of the government and makes payment from their account.
2. **Issuing of Currency:**The central bank is the sole authority empowered by law to issue bank notes and coins within the economy.
3. **It acts as lender of last Resort:**By this function, commercial banks run to central bank to borrow money whenever they run out of money to settle their customers.
4. **Maintenance of monetary Stability:** The central bank controls, supervises, assists, and co-ordinates the activities of commercial banks and other financial institutions so that they fulfill the requirements of government monetary policy.
5. **It serves as Banker's Bank:**Commercial banks use the central bank as their own bank just as individuals use commercial banks. They keep accounts with the central bank. They keep a percentage of their deposits with the central bank.
6. It acts as banker to discount houses and other financial institutions which operate in the money and capital market.

### **HOW CENTRAL BANK CONTROLS THE ACTIVITIES OF THE COMMERCIAL BANKS**

The central bank controls the credit policy of commercial bank by using various instruments of monetary policy.

1. **Use of Open Market Operation (OMO):**Open market operations refer to the buying and selling of government securities, such as treasury bills and bonds, from and to the public and business organizations. If the amount of money in circulation is too high, and the central bank wants to reduce it, it will sell securities to the public and financial institutions. When they buy, they pay cheques to the central Bank.

When the cheques are cleared, the amount of money left with the commercial banks will fall. Their lending capacity is therefore reduced and this helps to reduce the amount of money in circulation.



However, if the amount of money in circulation is too low and the central bank wants to increase it, it will buy securities from the public and commercial banks and make payments to them. This will increase the amount of money left with commercial banks, thereby increasing their lending power. The amount of money in circulation will increase.

1. **Use of the bank rate:**The bank rate is the rate at which the central bank discounts or re-discounts bill for commercial banks and other financial institutions, or the rate at which it lends money to them. The bank rate influences the other interest rates in the economy. A higher bank rate leads to higher interest rates. If there is inflation, the central bank will increase the bank rate. This will force the commercial banks to increase their own interest rates. People and organizations will be discouraged from borrowing money from commercial banks. Their lending ability is therefore reduced, leading to reduction in the amount of money in circulation and a consequent control of inflation.

On the other hand, if the volume of money in circulation is too small, and the central bank wants to increase it, it will reduce the bank rate. This will encourage commercial banks to reduce their interest rates. Borrowing will therefore be encouraged, and the amount of money in circulation will be increased.

1. **Liquidity ratio or cash ratio:**The commercial banks are mandated by the government to keep a special proportion e.g. 25%, of their total deposit with the central bank in order to control the volume of credit. The size can be expanded or contracted depending on the economic condition of the Nation.
1. **Use of directive and moral suasion:**A directive is an instruction or guideline from the central bank to commercial bank regarding the size of loans to give and areas to which direct bank lending. Moral suasion is an appeal or suggestion by the central bank to the commercial banks to pursue certain lending policies.
1. **Use of special deposits:**they are additional deposits (other than the one required by law) which the central bank may require commercial banks to keep with it. The use of special deposits, is not necessary where there is no inflation

## **ASSIGNMENT**

1. Explain how commercial banks create credit facilities
2. Highlight the differences between a central bank and commercial banks.

## **WEEK 5**

### **THEORY OF DEMAND**

#### **DEMAND, NEED AND WANT**

##### **DEMAND**

Demand refers to the quantity of a commodity which consumers are willing and able to purchase at a particular price and at a particular time.

**Need:** This refers to an urgent requirement or something essential which is lacking which one should have (That is, it is a necessary commodity which one cannot do without). For example, it is essential for a student to have books and school uniforms.

**Want:** Want refers to a mere desire for a commodity.

**Effective demand** refers to a want or need backed up by the willingness and ability to pay for the commodity at a particular price and time.

### **LAW OF DEMAND**

The law of demand states that, “The higher the price of a commodity, the lower the quantity demanded, and the lower the price, the higher the quantity demanded, Ceteris paribus”.

The term “Ceteris paribus” is a latin word which means ‘other things being equal’. This law is often regarded as the first law of demand and supply.

This implies that consumers purchase more of a commodity at a lower price than at a higher price.

### **DEMAND SCHEDULES**

Demand schedule can be defined as a table showing the relationship between prices and the quantity of that commodity demanded.

**It is of two types;**

1. Individual demand schedule
2. Market demand schedule

### **INDIVIDUAL DEMAND SCHEDULE**

This is a table which shows the different quantities of a commodity which a consumer would purchase at various prices, at a particular time.

**HYPOTHETICAL INDIVIDUAL DEMAND SCHEDULE FOR MILK FOR MR. AUSTIN**

PRICE PER TIN (N)	QUANTITY DEMANDED (NO. OF TINS PER MONTH)
100	10
80	20
60	25
40	30
20	50

The demand schedule above shows the relationship between the various prices of milk and the quantity which Mr. Austin is willing to buy at each price per month.

**MARKET DEMAND SCHEDULE**

This is also referred to as an aggregate demand schedule, a total demand schedule, or a composite demand schedule.

A market demand schedule is a table which shows the total quantities of a commodity which all consumers of that commodity are willing to buy at various prices at a particular period of time.

**HYPOTHETICAL MARKET DEMAND SCHEDULE FOR MILK**

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Price per tin (N)	Quantity Demanded By				Total quantity purchased
	Mr. Ojo	Mrs. Ade	Mr. Ayo	Mrs. Oke	
100	10	5	40	5	30
80	20	10	20	10	60
60	25	15	30	20	90
40	30	20	40	30	120
20	50	25	50	40	165

The table shows the relationship between the different prices of milk and the total quantity which will be purchased by all consumers of milk at each price, every month

### **DEMAND CURVE**

Demand curve is graph showing the relationship between the price and quantity of a commodity demanded at any point in time.

In other words, demand curve can be defined as a graphic or diagrammatic representation of a demand schedule.

Both the individual and market demand schedules can be illustrated with diagrams to show an individual demand curve and market demand curve, respectively.

## Individual Demand Curve

## Market Demand Curve

### **FACTORS AFFECTING DEMAND**

1. **Price of the Commodity:**The higher the price of any commodity, the lower quantity that will be demanded and vice versa
2. **The price of other Commodities:**Changes in the prices of other commodities may influence that demand for a commodity. This applies to commodities that has close substitutes e.g. gari and semovita, tea and coffee etc
3. **Government Policy:**Certain government policies may discourage demand while others may encourage it. For example, government policy on smoking in Lagos state has discouraged demand for cigarettes
4. **Taste and Fashion:** If there is a change in taste in favour of a commodity, the demand for it will be high, while a change in taste against a commodity will lead to lower demand for it. Fashion also changes with time.
5. **Income of the Consumer:**The higher the income of a consumer, the higher the quantity of commodities that he or she will demand and vice versa.
6. **Weather and Climate:**Variations in weather and climate or season may affect the demand for certain commodities. For example, rain coat, umbrella, rain boots, etc. are highly in demand during the raining season.
7. Advertisement

8. Taxation on commodities
9. The size of population
10. An expectation of future changes in prices

## **TYPES OF DEMAND**

1. **Complementary Demand or Joint Demand**: There is joint demand if two or more commodities are required together to satisfy a particular want.

One of the commodities may not be useful to the consumer without the others e.g. car and petrol, pen and ink.

1. **Competitive Demand**: This type of demand occurs with commodities which are close substitutes.

Substitutes are alternative commodities which can satisfy the same want (i.e. they possess identical activities) e.g. garri and semovita, tea, and coffee, omo and kiln.

1. **Derived Demand or Circuitous Demand**: There is a derived demand for a commodity if not required for direct satisfaction but for the production of another commodity which can give direct satisfaction. E.g. Flour is demanded to make bread which people will consume.
2. **Composite Demand**: Demand is composite when a commodity can be used for more than one purpose. For example, palm oil is demanded for cooking, making soap, etc.

## **ASSIGNMENT**

1. Define Demand
2. State and explain five (5) factors affecting demand

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## **WEEK 6**

### **THEORY OF SUPPLY**

The supply of a commodity is the quantity of that commodity which sellers are willing and able to offer for sale at a particular price, at a particular period of time.

Effective supply refers only to the part of the total production actually offered for sale at the ruling market price and at a particular time. For example if a yam farmer produces 2,000 yams but actually offers 1,000 yams for sale at N200 each, the supply of yams by this farmer is 1,000yams.

### **SUPPLY SCHEDULES**

Supply schedule can be defined as a table showing the relationship between price and the quantity of that commodity supplied.



In other words, supply schedule is a table which shows the various quantities of a commodity which sellers are willing to sell at various prices at a particular period of time.

**There are two types of supply schedules;**

- Individual supply schedule
- The market (total of aggregate) supply schedule.

**Individual Supply Schedule:** This is a table which shows the different quantities of a commodity which a producer or seller offers for sale at various prices and at a particular time.

This is a table which shows the various quantities of a commodity which a producer or a seller of that commodity is willing to sell at different prices, at a particular period of time.

**INDIVIDUAL SUPPLY SCHEDULE (FOR SUGAR) FOR MR. GBENGA**

PRICE PER PACKET (N)	QUANTITY SUPPLIED (PER WEEK)
250	100
200	80
150	60
100	40
50	20

The supply schedule in table shows that less is supplied at lower prices.

**MARKET SUPPLY SCHEDULE**

This is table which shows the total quantities of a commodity which all the sellers of that commodity are willing to sell at various prices; at a particular period of time.

It is a combination of the individual supply schedules of all the sellers of a particular commodity.

**MARKET SUPPLY SCHEDULE FOR SUGAR**

Price per

Total quantity

packet (N)	Quantity Supply By			supplied (per week)
	Mr. Ojo	Mrs. Ade	Mr. Ayo	
250	100	100	50	250
200	80	90	30	200
150	60	70	20	150
100	40	50	10	100
50	20	25	5	50

- -

The table shows the relationship between the various prices of sugar per packet, and the quantity supplied by all the sellers of sugar at each price.

### **SUPPLY CURVES**

A supply curve is a graphical illustration or diagrammatic representation of a supply schedule.

In other words, a supply curve can be defined as a graph showing the relationship between price and quantity of that commodity supplied.

Both the individual and market supply schedule can be illustrated graphically to show an individual supply curve and a market supply curve respectively.

Individual supply curve

Market Supply Curve

### **LAW OF SUPPLY**

The law of supply states that “The higher the price of a commodity, the higher the quantity supplied while the lower the price, the lower the quantity of the commodity that will be supplied.

This law is often regarded as the second law of demand and supply. This law explains that when the price of a commodity is high in the market, more quantity of it will be supplied by the producer and vice versa. It is observed that the supply curve slopes upwards from the left to the right i.e. it has a positive slope.

### **TYPES OF SUPPLY**

1. **Composite Supply:**This refers to the aggregate or total supply of all commodities which satisfy the same want.
2. **Competitive Supply:**This type of supply occurs with commodity that has alternative uses. If supply to one use is increased, supply to other uses would fall. For example, an increase in the use of land for building would decrease land for farming.
3. **Joint Supply:**Joint supply occurs when two or more commodities are produced and supplied from one source. An increase in the production and supply of one will automatically bring about increase in the production and supply of the other commodities that are produced from the same source and vice versa. For example, an increase in production and supply of petrol from petroleum can also lead to an increase in the supply of kerosene. Petrol and kerosene are obtained from the same source which is petroleum.

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### **Factors Determining Supply**

1. **Price:**Supply moves in the same direction with price, the higher the price, the higher the supply and vice versa. More of a commodity is supplied at higher prices than at lower prices.
2. **Prices of other commodities:**These affect goods with close substitutes. For example, an increase in the price of yams may lead to some farmers shifting from the production of cassava to the production of yams
3. **Taxation:**If taxes like tariffs and excise duties are high, the prices of goods will be higher which will lead to low demand and supply will be affected by being low and vice versa.
4. **Weather:**This factor is important especially with the supply of agricultural products. If the weather of a particular area is favourable at a particular period, more agricultural products will be produced and their supply to the market will increase and vice versa.
5. **The number of producers:**The more the producers, the more of such goods that will be produced and the more the quantity that will be supplied to the market and vice versa.
6. **Government Policy:**Government policy, e.g. subsidy given to farmers, in the form of free importation of equipment can lower production cost and increase supply
7. **Technological Development:**An improvement in the method of production may lead to an increase in supply.

### **ASSIGNMENT**

State and explain five factors affecting supply

## **WEEK 7**

### **PRICE DETERMINATION IN A FREE MARKET**

In a perfectly competitive or free market economy, prices are determined by the interaction of the forces of demand and supply. The determination of prices by the interaction of the invisible forces of demand and supply is what is referred to as the price system or price mechanism.

### **EQUILIBRIUM OF DEMAND AND SUPPLY**

Equilibrium arises whenever demand equals supply at a particular price and any point in time.

### **EQUILIBRIUM PRICE**

This is the price which equates demand with supply and it illustrates the third law of demand and supply which states that the equilibrium price is that price which equates demand with supply.

It is determined by the interplay of the forces of demand and supply. The point where the demand curve meets the supply curve is called equilibrium position or equilibrium point.

The quantity demanded and supplied at equilibrium price is called equilibrium quantity. Above the equilibrium price, more of the demanded by consumers. There will therefore be an excess supply or surplus of the commodity in the market. Hence, no equilibrium price will be established.

Below the equilibrium price, more will be demanded by consumers than is supplied by sellers or producers. There will therefore be an excess demand which will bring about a scarcity of the commodity in the market. No equilibrium price will be established.

An equilibrium price will only be established in the market if demand equals supply. (i.e the quantity which buyers are willing and able to buy is the same as the quantity which sellers are willing and able to sell).

### **Market Equilibrium**

Equilibrium is a situation in which there is no tendency for change. The market will be in equilibrium when there is no reason for the market price of the product to rise or to fall. This occurs at the price at which the quantity demanded equals quantity supplied. At this price, the amount that consumers wish to buy is exactly the same as the amount that producers wish to sell. There are no unsatisfied buyers: buyers are able to purchase all they want to at that price. There are no unhappy sellers: producers are able to sell all they want to at that price.

Equilibrium Price can be illustrated by using demand and supply.

### **Market Demand And Supply Schedules For Coffee.**

Quantity Supplied	Price	Quantity Demanded			
18	\$5	4	$Q^S > Q^D$	excess supply	price falls
15	\$4	8	$Q^S > Q^D$	excess supply	price falls
12	<b>\$3</b>	12	$Q^S = Q^D$	<b>no surplus/no shortage</b>	<b>equilibrium</b>
9	\$2	16	$Q^D > Q^S$	excess demand	price rises
6	\$1	20	$Q^D > Q^S$	excess demand	price rises

Equilibrium occurs at a price of \$3. The equilibrium quantity is 12 cups of coffee. When the price is above the equilibrium of \$3, quantity supplied is greater than quantity demanded. Firms are unable to sell all they want to at that price. There is an excess supply (a surplus or glut) and there is pressure for the price to fall. If the price is below equilibrium, there is excess demand (a shortage) and this creates pressure for the price to rise. Only at the equilibrium price is there no pressure for price to rise or fall.

### **Supply and Demand Curves**

### **EXAMPLE 1**

Given that dd and ss functions  $Q_d=42 -2p$  and  $Q_s = 12 + 4p$

1. Circulate the  $Q_d$  and  $Q_s$  when price is N1, N3, N5, N7, and N9
2. From the results obtained in (i) above construct dd and ss schedules
3. What is the equilibrium price and quantity

### **SOLUTION**

When P is N

$$Q_d = 42 - 2p$$

$$= 42 - 2(1)$$

$$Q_d = \underline{40}$$

When P is N 1

$$Q_s = 12 - 4p$$

$$= 12 - 4(1)$$

$$= 12 + 4$$

$$Q_s = \underline{16}$$

When P is N 3

$$Q_d = 42 - 2p$$

$$= 42 - 2(3)$$

$$= 42 - 6$$

$$Q_d = \underline{36}$$

When P is N 3

$$Q_s = 12 - 4p$$

$$= 12 - 4(3)$$

$$= 12 + 12$$

$$Q_s = \underline{24}$$

When P is N 7

$$Q_d = 42 - 2p$$

$$= 42 - 2(7)$$

$$= 42 + 14$$

$$Q_d = \underline{28}$$

When P is N 7

$$Q_s = 12 - 4p$$

$$= 12 - 4(7)$$

$$= 12 + 28$$

$$Q_s = \underline{40}$$

When P is N 9

$$Q_s = 42 - 2p$$

When P is N 9

$$Q_s = 12 - 4p$$

$$= 42 - 2(9)$$

$$= 42 + 18$$

$$Q_s = \underline{24}$$

$$= 12 - 4(9)$$

$$= 12 + 36$$

$$Q_s = \underline{48}$$

### **MARKET DEMAND AND SUPPLY SCHEDULE**

PRICE (N)	QUANTITY DEMANDED	QUANTITY SUPPLIED
1	40	16
3	36	24
5	32	32
7	28	40
9	24	48

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### **ASSIGNMENT**

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1. Given the supply and demand equations for Bourvita as follow;

$$Q_s = 30p \text{ and } Q_d = 90 - 2p$$

Where P is the price as it relates to quantity supplied and demanded of Bornvita.

1. Determine the equilibrium price and quantity
2. Show graphically, your result in 'a' above

1. The demand and supply functions of a commodity are as follow;

$$Q_s = 6p - 12$$

$$Q_d = 20 - 2p$$

Where P = price in Naira

1. Determine the equilibrium price and quantity bought and sold at the price



2. If the price of the commodity is fixed at N600, what is the magnitude of the excess supply?.

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## TEST

### SUPPLY AND DEMANDED SCHEDULE

PRICE PER UNIT (N)	QUANTITY DEMANDED PER WEEK	QUANTITY SUPPLIED PER WEEK
5	500	60
6	400	150
7	300	300
8	250	400
9	150	500
10	50	600

-

Use the schedule to answer the following questions;

1. At what price and quantity does the market attain equilibrium and why?
2. At what price does the market exhibits excess demand and by how many units?
3. At what price does the market exhibit excess supply and by how many units?
4. At what price will the producer be willing to sell most? What quantity will he be willing to sell at that price?

## **WEEK 8**

### **Economy of Nigeria**

Nigeria is a middle income, mixed economy and emerging market, with expanding financial, service, communications, and technology and entertainment sectors. It is ranked as the 21st largest economy in the world in terms of nominal GDP, and the 20th largest in terms of Purchasing Power Parity. It is the largest economy in Africa; its re-emergent, though currently underperforming, manufacturing sector is the third-largest on the continent, and produces a large proportion of goods and services for the West African sub region. Nigeria recently changed its economic analysis to account for rapidly growing contributors to its GDP, such as its telecommunications, banking and film industries.

Previously hindered by years of mismanagement, economic reforms of the past decade have put Nigeria back on track towards achieving its full economic potential. Nigerian GDP at purchasing power parity (PPP) has almost tripled from \$170 billion in 2000 to \$451 billion in 2012, although estimates of the size of the informal sector (which is not included in official figures) put the actual numbers closer to \$630 billion. Correspondingly, the GDP per capita doubled from \$1400 per person in 2000

to an estimated \$2,800 per person in 2012 (again, with the inclusion of the informal sector, it is estimated that GDP per capita hovers around \$3,900 per person). (Population increased from 120 million in 2000 to 160 million in 2010). These figures are to be revised upwards by as much as 80% when metrics are recalculated subsequent to the rebasing of its economy in April 2014.

Although much has been made of its status as a major exporter of oil, Nigeria produces only about 2.7% of the world's supply (Saudi Arabia: 12.9%, Russia: 12.7%, USA:8.6%). To put oil revenues in perspective: at an estimated export rate of 1.9 Mbbl/d (300,000 m<sup>3</sup>/d), with a projected sales price of \$65 per barrel in 2011, Nigeria's anticipated revenue from petroleum is about \$52.2 billion (2012 GDP: \$451 billion). This accounts about 11% of official GDP figures (and drops to 8% when the informal economy is included in these calculations). Therefore, though the petroleum sector is important, it remains in fact a small part of the country's overall vibrant and diversified economy.

The largely subsistence agricultural sector has not kept up with rapid population growth, and Nigeria, once a large net exporter of food, now imports a large quantity of its food products, though there is a resurgence in manufacturing and exporting of food products. In 2006, Nigeria successfully convinced the Paris Club to let it buy back the bulk of its debts owed to the Paris Club for a cash payment of roughly \$12 billion (USD).

According to a Citigroup report published in February 2011, Nigeria will get the highest average GDP growth in the world between 2010 and 2050. Nigeria is one of two countries from Africa among 11 Global Growth Generators countries.

## **Overview**

Nigeria's economy is struggling to leverage the country's vast wealth in fossil fuels in order to displace the poverty that affects about 33% of its population. Economists refer to the coexistence of vast wealth in natural resources and extreme personal poverty in developing countries like Nigeria as the "resource curse", although "resource curse" is more widely understood to mean an abundance of natural resources which fuels official corruption resulting in a violent competition for the resource by the citizens of the nation.

Nigeria's exports of oil and natural gas—at a time of peak prices—have enabled the country to post merchandise trade and current account surpluses in recent years. Reportedly, 80% of Nigeria's energy revenues flow to the government, 16% covers operational costs, and the remaining 4% go to investors. However, the World Bank has estimated that as a result of corruption 80% of energy revenues benefit only 1% of the population.

In 2005, Nigeria achieved a milestone agreement with the Paris Club of lending nations to eliminate all of its bilateral external debt. Under the agreement, the lenders will forgive most of the debt, and Nigeria will pay off the remainder with a portion of its energy revenues. Outside of the energy sector, Nigeria's economy is highly inefficient. Moreover, human capital is underdeveloped—Nigeria ranked 151 out of

countries in the United Nations Development Index in 2004—and non-energy-related infrastructure is inadequate.

From 2003 to 2007, Nigeria attempted to implement an economic reform program called the National Economic Empowerment Development Strategy (NEEDS). The purpose of the NEEDS was to raise the country's standard of living through a variety of reforms, including macroeconomic stability, deregulation, liberalization, privatization, transparency, and accountability.

The NEEDS addressed basic deficiencies, such as the lack of freshwater for household use and irrigation, unreliable power supplies, decaying infrastructure, impediments to private enterprise, and corruption. The government hoped that the NEEDS would create 7 million new jobs, diversify the economy, boost non-energy exports, increase industrial capacity utilization, and improve agricultural productivity. A related initiative on the state level is the State Economic Empowerment Development Strategy (SEEDS).

A longer-term economic development program is the United Nations (UN)-sponsored National Millennium Goals for Nigeria. Under the program, which covers the years from 2000 to 2015, Nigeria is committed to achieve a wide range of ambitious objectives involving poverty reduction, education, gender equality, health, the environment, and international development cooperation. In an update released in 2004, the UN found that Nigeria was making progress toward achieving several goals but was falling short on others.

Specifically, Nigeria had advanced efforts to provide universal primary education, protect the environment, and develop a global development partnership. However, the country lagged behind on the goals of eliminating extreme poverty and hunger, reducing child and maternal mortality, and combating diseases such as human immunodeficiency virus/acquired immune deficiency syndrome (HIV/AIDS) and malaria.

A prerequisite for achieving many of these worthwhile objectives is curtailing endemic corruption, which stymies development and taints Nigeria's business environment. President Olusegun Obasanjo's campaign against corruption, which includes the arrest of officials accused of misdeeds and recovering stolen funds, has won praise from the World Bank. In September 2005, Nigeria, with the assistance of the World Bank, began to recover US\$458 million of illicit funds that had been deposited in Swiss banks by the late military dictator Sani Abacha, who ruled Nigeria from 1993 to 1998. However, while broad-based progress has been slow, these efforts have begun to become evident in international surveys of corruption. In fact, Nigeria's ranking has consistently improved since 2001 ranking 147 out of 180 countries in Transparency International's 2007 Corruption Perceptions Index.

### **Nigeria Industry Sectors: History**

Till the mid 20<sup>th</sup> century, Nigeria's industry sectors were dominated by agricultural production. The country's fertile land and abundant mineral resources drove the economy. However, the 1970s oil boom changed the entire equation. The oil sector became the mainstay of the economy. As foreign currency began to pour in through

the oil sector, the government neglected the agriculture and non-oil industrial sectors. Massive migration from villages to oil-producing cities resulted in large unemployment and low standard of living.

### **Major Nigeria Industry Sectors**

The mining sector, including the oil and natural gas segment, is the largest Nigeria industry sector. According to the 2005 figures, it accounts for more than 90% of the annual national production and generates more than 80% of the government revenues. The country produces 2.169 million barrels per day (2007 statistics). In terms of oil export volumes, the country ranks 8<sup>th</sup> in the world. The Nigerian oil sector is regulated by the Nigerian National Oil Corporation (NNOC). It is a member country of the Organization of Petroleum Exporting Countries (OPEC). Although major reforms have been undertaken to liberalize the country's economy, the oil sector is still under the close scrutiny of the government.

## **Sectors of Economy: Primary, Secondary and Tertiary.**

### **Primary activities**

Primary activities are directly dependent on environment as these refer to utilisation of earth's resources such as land, water, vegetation, building materials and minerals. It, thus includes, hunting and gathering, pastoral activities, fishing, forestry, agriculture, and mining and quarrying.

People engaged in primary activities are called red-collar workers due to the outdoor nature of their work.

### **Secondary activities**

Secondary activities add value to natural resources by transforming raw materials into valuable products. Secondary activities, therefore, are concerned with manufacturing, processing and construction (infrastructure) industries.

People engaged in secondary activities are called blue collar workers.

### **Tertiary activities**

Tertiary activities include both production and exchange. The production involves the 'provision' of services that are 'consumed. Exchange, involves trade, transport and communication facilities that are used to overcome distance.

Tertiary jobs = White collar jobs.

# The economic activities of the 6 geo political zones in Nigeria.

1. North-Central - Benue, Kogi, Kwara, Nasarawa, Niger, Plateau, and Federal Capital Territory, Abuja.
2. North-Eastern - Adamawa, Bauchi, Borno, Gombe, Taraba and Yobe.
3. North-Western | Jigawa, Kaduna, Kano, Katsina, Kebbi, Sokoto and Zamfara.
4. South-Eastern | Abia, Anambra, Ebonyi, Enugu, and Imo.
5. South-South | Akwa Ibom, Bayelsa, Cross River, Delta, Edo and Rivers.
6. South-Western | Ekiti, Lagos, Ogun, Ondo, Osun and Oyo.

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## WEEK 9

### AGRICULTURE

Agriculture is simply defined as the production of crops and rearing of animals for man's use.

It employs about 60-70 percent of the population of West African countries.

#### Components of Agriculture

1. Crop production: This involves cultivation, planting and growing of food and cash crops. It is divided into cultivation of crops for consumption and for sales.
2. Cash crops: Cash crop takes place purposely to produce goods for sale at home or in overseas markets. Some of the products are used as raw materials for industrial sectors. Examples of cash crops are palm oil, cocoa, cotton and rubber etc.
3. Food crops: These crops are produced mainly for consumption. They are not planted for sale as cash crop. Food crops cover the production of maize, rice, vegetables and tubers of yam.
4. Livestock: This includes people engaging in rearing of animals like goats, cattle, poultry, sheep and pig for consumption and to make a living.
5. Fishing: This is the selection, breeding and rearing of fishes in ponds, rivers and oceans.

6. Forestry: This involves the planting, development and management of resources from the forest such as trees for the benefits of man. Some of the forestry is timbers, herbs and wild animals.

### Systems of Agriculture

1. Peasant farming: Peasant farming ,also referred to as subsistence farming ,is defined as the type of agriculture which is concerned with the production of food for the farmer and his family .Farming under peasant agriculture is mainly for self-subsistence.
2. Plantation farming: Plantation farming involves the cultivation of some economic crops in large areas of land. It is a capital-intensive system of farming.

3.Mechanised farming:Mechanised farming, also referred to as commercial agriculture, is the type of agriculture which is concerned with the production of food, animals and cash crops in large quantities mainly for sale.Mechanised farming is used on large-scale farms. Such large-scale farms may produce food crops or cash crops.

4.Co-operative farming: This is the type of farming in which farmers come together to form a union for the purpose of farming together to enable them enjoy some incentives from government.Co-perative farms are usually carried out on a large scale. A feature of such farms is that a number of individual farmers pool their resources {land,materials,money,etc. }In order to derive the economies of large-scale production.

## Contribution of Agriculture to Economic

### Growth in Nigeria.

## The importance of Agriculture towards the Development of Nigeria Economy

Nigeria economy is blessed with series of natural resources, yet they suffer in the midst of plenty. Nigeria has a high poverty rate in comparison with other African countries despite its higher GDP.

Currently, Nigeria has over 80% of its land arable but unfortunately less than 40% of the land is cultivated despite the country's teeming population and level of unemployment.

Hence, the need to reform the agriculture sector cannot be over emphasized. In an attempt not to waste too much words, agriculture is important to Nigeria economy development in the following areas:

- A shift in monoculture economy i.e. diversifying from over reliance on crude oil especially at a time when the price plummet which is becoming to tell on the economy.
- Provision of food and raw materials through development of agriculture to the Nigeria teeming population and the development of the manufacturing sector respectively. Which in turn will also discourage heavy dependence on importation?
- Agriculture sector is also capable of reducing the country's level of unemployment on the account that the sector is labour intensive.
- Agriculture will also curb the effect of rural-urban migration which will help to decongest the urban areas and make life easier for people both in the rural or urban area.
- Agriculture will also help the government to make more effort in developing the degrading infrastructural facilities throughout the nation in attempt to ease movement of goods from one location to the other, likewise for preservation of Agricultural output.
- Development of the Agriculture sector will also help in improving other sectors and thereby curbing the level of the existing corruption in the country.

The list of the importance of Agriculture to Nigeria economy is endless. Therefore, the bulk of the work lies in the hands of the government and would be entrepreneurs to take advantage of the enormous benefit that is in the Agriculture Sector.

The reason is simple, it will attract Foreign Direct Investment, it will reduce poverty, it will also reduce the country level of unemployment, it will reduce government reliance on crude oil, it will also help to strengthen the Naira against Dollar through Favorable Balance of Payment, the railway lines could also be revamped to ease movement of Agriculture produce and people alike.

In general, development of Nigeria Agriculture sector may also help to reduce the level of corruption in the country.

## Problems of Agriculture In Nigeria and Solution

**Land Tenure System** - Efficient use of land: Land should be allocated for farming, forestry and wildlife.

Government can also help to create land tenure arrangements that will lead to more efficient use of agricultural land. Farmers can be encouraged to combine and form large farms. This will encourage and make possible the use of mechanized farming techniques.

**Inadequate Social Amenities** - An integrated approach to rural development:

Currently, no less than five ministries or institutions work on rural development in Nigeria. The ministry of agriculture and the various research institutes work on livestock, crops and forestry development project. The ministry of works and housing deals with housing and roads. The directorate for foods, roads and rural infrastructure is specifically responsible for rural development. Adequate rural development will bring an end to urban migration because basic amenities will be attracted to service

the farms. More jobs will be available in the rural areas and the inhabitants will be happy.

**Inadequate Finance** - Finance (Capital or Money): Government can assist by setting up special local banks whose job is to extend credit to the rural farmers and will be announce on radio for adequate circulation of information. The Federal Government established the Agricultural Co-operative and Credit Bank to serve this purpose. If it is appropriately managed, this bank would be an asset to the farmers. Organization of farmers (e.g. Leventis foundation Agric. School, I.A.R&T, IITA, NIFOR etc.) can encourage co-operative farming, which will facilitate the granting of loans and subsidies to them. Effective tax relief should be granted to farmers to encourage accumulation of capital for further investments in meaningful agricultural ventures.

**Inadequate Storage and Processing Facilities** - Storage and Processing facilities: Our priority should be to preserve and store what has grown and harvested to last till the next harvest season. We should commission research into food preservation and storage that will suit our type of food and environment. Provisions of storage and processing facilities to co-operative centres should be pursued under the subsidy scheme.

**Poor Pricing and Marketing Incentives** - Marketing and Pricing System: Before the creation of state in Nigeria, marketing boards were used in the three regions to organize the marketing of our cash crops. After the creation of states, commodity boards were formed to deal with specific crops that are produced in various states. These commodity boards assist to market the crop by reducing the overhead and operating costs so that the farmer can get higher prices for their commodities. This encourages the farmers to grow more of particular crop or produce more of the livestock. Commodity board should develop effective information sections to give intensive publicity to producer prices and other services rendered by them to the farmers; this will prevent the local buying agents and middlemen from cheating the farmers.

**Inadequate Farm Implement** - Tools and Machinery: In Nigeria the use of the larger machinery and tractors should be encouraged through co-operative farming definite steps should be taken to fabricate simple farm implement. The implements is for different operations such as soil preparation, seed planter, incubators for seedlings, organic maturing, ploughing, harvesters and machine for processing of the harvested crops, it will reduce drug use (self-medications) and the problem of the use of cutlass and hoes.

**Inadequate Agricultural Extension Agent** - Agric. Extension: Government should promote literacy through adult education for illiterate farmers so as to facilitate the process of communication information on modern farming techniques farm subsidies and incentives by the government. They should also be informed as to where and when they should get the subsidies.

**Inadequate Farm Inputs** - Farm Input: Over 60% of seeds planted by farmers are unimproved.

The National Seed Service takes all necessary steps to discharge its duties of distribution of improved seeds to farmers. More emphasis should be placed on the development of high yielding varieties of crops suitable for each ecological zone and system of cultivation. In order to avoid large drain of foreign exchange resulting as



importation of fertilizers, fruits and foods.  
We must have manufacturers in Nigeria.

## Agricultural Policies In West Africa With Special Reference To Nigeria

1. Operation Feed The Nation {OFN}: The Operation Feed the Nation {OFN} was set up by General Obasanjo's military regime between 1976-1979.

### Objectives

1. To increase food production.
2. To popularize agriculture.

### iii. To produce food for all Nigerians.

1. To facilitate agricultural development in all parts of Nigeria.
2. Green Revolution: The Green Revolution was equally set up between 1979 and 1983 by the Federal government under the Second Republic government of Shehu Shagari.

### Objectives

1. To encourage large scale farming.
2. To establish River Basin Authorities to boost the supply of water for irrigation purposes.
3. To produce abundant food crops for local consumption.

### iii. To produce cash crops for export purposes.

1. Land Use Decree: The Federal Government of Nigeria in March, 29,1978,during the regime of Gen.Olusegun Obasanjo,promulgated a decree on land use in Nigeria. This decree was known as Land Use Decree of 1978 or Land Use Act of 1978.The decree enables farmers to have access to land for farming purposes.

### Objectives

1. To encourage proper productive and efficient use of the land.
2. To allocate land and create opportunities for enterprising farmers to acquire more land for large scale farming.

### iii. To facilitate planning or formation of programmes for a particular land use.

1. Agricultural Development Project {ADP}: The Agricultural Development Project started in 1975.It was co-financed by the World Bank, Federal and State governments.

### Objectives

1. To boost agricultural production through the construction of farm service centres for efficient distribution of agricultural input.
2. To construct rural infrastructures, such as feeder road and earth dams.

iii. To source and make available farm input to farmers, e.g. Improved seeds, fertilizers, chemical.

## Agriculture policy concerns

### Poverty reduction

Agriculture remains the largest single contributor to the livelihoods of the 75% of the world's poor who live in rural areas. Encouraging agricultural growth is therefore an important aspect of agricultural policy in the developing world. In addition, a recent Natural Resource Perspective paper by the Overseas Development Institute found that good infrastructure, education and effective information services in rural areas were necessary to improve the chances of making agriculture work for the poor.

### Food security

The United Nations Food and Agriculture Organization (FAO) defines food security as existing when "all people, at all times, have physical and economic access to sufficient safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life". The four qualifications that must be met for a food secure system include physical availability, economic and physical access, appropriate utilization, and stability of the prior three elements over time.

Of the 6.7 billion people on the planet, about 2 billion are food insecure. As the global population grows to 9 billion by 2050, and as diets shift to emphasize higher energy products and greater overall consumption, food systems will be subjected to even greater pressure. Climate change presents additional threats to food security, affecting crop yields, distribution of pests and diseases, weather patterns, and growing seasons around the world.

Food security has thus become an increasingly important topic in agricultural policy as decision makers attempt to reduce poverty and malnutrition while augmenting adaptive capacity to climate change. The Commission on Sustainable Agriculture and Climate Change listed high-priority policy actions to address food security, including integrating food security and sustainable agriculture into global and national policies, significantly raising the level of global investment in food systems, and developing specific programs and policies to support the most vulnerable populations (namely, those that are already subject to food insecurity).

### Food sovereignty

'Food sovereignty', a term coined by members of Via Campesina in 1996,<sup>[19]</sup> is about the right of peoples to define their own food systems. Advocates of food sovereignty put the people who produce, distribute, and consume food at the centre of decisions on food systems and policies, rather than the demands of markets and corporations that they believe have come to dominate the global food system. This movement is advocated by a number of farmers, peasants, pastoralists, fisherfolk, indigenous peoples, women, rural youth, and environmental organizations.

## Policy tools

An agricultural subsidy is a governmental subsidy paid to farmers and agribusinesses to manage the agricultural industry as one part of the various methods a government uses in a mixed economy. The conditions for payment and the reasons for the individual specific subsidies varies with farm product, size of farm, nature of ownership, and country among other factors. Enriching peanut farmers for political purposes, keeping the price of a staple low to keep the poor from rebelling, stabilizing the production of a crop to avoid famine years, encouraging diversification and many other purposes have been suggested as the reason for specific subsidies.

Price floors or price ceilings set a minimum or maximum price for a product. Price controls encourage more production by a price floor or less production by a price ceiling. A government can erect trade barriers to limit the quantity of goods imported (in the case of a Quota Share) or enact tariffs to raise the domestic price of imported products. These barriers give preference to domestic producers.

## Objectives of market intervention

### National security

Some argue that nations have an interest in assuring there is sufficient domestic production capability to meet domestic needs in the event of a global supply disruption. Significant dependence on foreign food producers makes a country strategically vulnerable in the event of war, blockade or embargo. Maintaining adequate domestic capability allows for food self-sufficiency that lessens the risk of supply shocks due to geopolitical events. Agricultural policies may be used to support domestic producers as they gain domestic and international market share. This may be a short term way of encouraging an industry until it is large enough to thrive without aid. Or it may be an ongoing subsidy designed to allow a product to compete with or undercut foreign competition. This may produce a net gain for a government despite the cost of interventions because it allows a country to build up an export industry or reduce imports. It also helps to form the nation's supply and demand market.

### Environmental protection and land management

Farm or undeveloped land composes the majority of land in most countries. Policies may encourage some land uses rather than others in the interest of protecting the environment. For instance, subsidies may be given for particular farming methods, forestation, land clearance, or pollution abatement.

### Rural poverty and poverty relief

Subsidizing farming may encourage people to remain on the land and obtain some income. This might be relevant to a third world country with many peasant farmers, but it may also be a consideration to more developed countries such as Poland. They have a very high unemployment rate, much farmland and retain a large rural population growing food for their own use. Price controls may also be used to assist

poor citizens. Many countries have used this method of welfare support as it delivers cheap food to the poorest in urban areas without the need to assess people to give them financial aid. This often goes at the cost of the rural poor, who then earn less from what is often their only realistic or potential source of income: agriculture. Because in almost all countries the rural poor are more poor than the urban poor, cheap food policies through price controls often increase overall poverty. The same often counts for poverty relief in the form of food aid: Food aid (unless while during severe drought) drives small producers in poor countries out of production. It tends to benefit lower middle class groups (sub-urban and urban poor) at the expense of the poorest 20 percent, who as a result remain deprived of customers.

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## WEEK 10

### Mining industry of Nigeria

The mining of minerals in Nigeria accounts for only 0.3% of its GDP, due to the influence of its vast oil resources. The domestic mining industry is underdeveloped, leading to Nigeria having to import minerals that it could produce domestically, such as salt or iron ore. Rights to ownership of mineral resources is held by the Nigerian government, which grants titles to organizations to explore, mine, and sell mineral resources. Organized mining began in 1903 when the Mineral Survey of the Northern Protectorates was created by the British colonial government. A year later, the Mineral Survey of the Southern Protectorates was founded. By the 1940s, Nigeria was a major producer of tin, columbite, and coal. The discovery of oil in 1956 hurt the mineral extraction industries, as government and industry both began to focus on this

new resource. The Nigerian Civil War in the late 1960s led many expatriate mining experts to leave the country. Mining regulation is handled by the Ministry of Solid Minerals Development, which oversees the management of all mineral resources. Mining law is codified in the Federal Minerals and Mining Act of 1999. Historically, Nigeria's mining industry was monopolized by state-owned public corporations. This led to a decline in productivity in almost all mineral industries. The Obasanjo administration began a process of selling off government-owned corporations to private investors in 1999.

## **Coal, Lignite and Coke**

Mining is the extraction [removal]of minerals and metals from the earth. The Nigerian Coal Corporation (NCC) is a parastatal corporation that was formed in 1950 and held a monopoly on the mining, processing, and sales of coal, lignite, and coke products until 1999.

Coal was first discovered in Enugu in 1909, and the Ogbete Mine had opened and begun regularly extracting coal by 1916. By 1920, coal production had reached 180,122 long tons (183,012 t). Nigeria's peak coal production was in the late 1950s, and by 1960 production was at 565,681 long tons (574,758 t). The Nigerian Civil War caused many mines to be abandoned. After the war ended in the early 1970s, coal production was never able to recover. Attempts to mechanize the industry in the 1970s and 1980s were ultimately unsuccessful, and actually hindered production due to problems with implementation and maintenance.

The Nigerian government is currently trying to privatize the Nigerian Coal Corporation and sell off its assets. While the domestic market for coal has been negatively affected by the move to diesel and gas-powered engines by organizations that were previously major coal consumers, the low-sulfur coal mined in Nigeria is desirable by international customers in Italy and the United Kingdom, who have imported Nigerian coal. Recent financial problems have caused a near shutdown of the NCC's coal mining operations, and the corporation has responded by attempting to sell off some of its assets while it waits for the government to complete privatization activities.

In April 2008, Minister of Mines and Steel Sarafa Tunji Ishola announced that Nigeria was considering coal as an alternative power source as it attempts to reform its power sector, and encouraged Chinese investors to invest in the coal industry.

The Nigerian Mining Cadastre Office manages all the Nigerian mining licenses and mining rights. They are a subsidiary of the Ministry of Mines and Steel Development of the Federal Republic of Nigeria.

## **Gold**

Gold deposits are found in Northern Nigeria, most prominently near Maru, Anka, Malele, Tsohon Birnin Gwari-Kwaga, Gurmana, Bin Yauri, Okolom-Dogondaji, and Iperindo in Kwara State it is not very dominant in the country.

Gold production began in 1913 and peaked in the 1930s. During the Second World War, production declined. Mines were abandoned by colonial companies, and production never recovered.

The Nigerian Mining Corporation (NMC) was formed in the early 1980s to explore for gold. Lack of funds, and the lure of easier profits from oil production led to its failure. There is no large scale gold mining operation in Nigeria today, though there is small-scale mining carried out by artists. The family of Aleye from Anka is one of the leading gold families in the region.

### **Columbite Wolframite and Tantalite**

Columbite and Tantalite are ores used to produce the elements niobium and tantalum. Columbite and tantalite are collectively known as coltan in Africa. Tantalum is a valuable rare element used in electronics manufacturing. In Nigeria, pegmatite deposits of coltan are frequently also the source of several precious and semi-precious stones such as beryl, aquamarine, and tourmaline. These pegmatites are found in Nassarawa State near the Jos Plateau, as well as in several areas in southeast Nigeria. There is small-scale mining of these minerals.<sup>[1]</sup> Wolframite (tungsten) can be found in the North states.

### **Bitumen**

Bitumen was first discovered in 1900, with focused exploration beginning in 1905. Bitumen deposits are found in Lagos State, Ogun State, Ondo State, and Edo State. Conoco has performed a technical and economic evaluation of these deposits, and believes there to be over thirteen billion barrels of oil in these tar sands and bitumen seepages.

### **Iron Ore**

Nigeria has several deposits of iron ore, but the purest deposits are in and around Itakpe in Kogi State.

The National Iron Ore Mining Company was founded in 1979 and given the mission to explore, exploit, process, and supply iron ore concentrate to the Ajaokuta Steel Company (ASCL) in Ajaokuta and Delta Steel Company (DCL) in Aladja. Additional demand has come from several steel rolling mills. The company and its mining operations are based in Kogi State. Export of excess iron ore beyond what is required for domestic needs is currently being explored.

### **Uranium**

The Nigeria Uranium Mining Company (NUMCO) was a parastatal organization that controlled the exploration and mining of uranium in Nigeria and was a public/private partnership with Total Compagnie Minière of France, which owned 40% of the company. In 1989, Total pulled out of the partnership, and in 1993 the government reassigned NUMCO's responsibilities to the Nigerian Geological Survey. The NUMCO Corporation was dissolved in 1996, and the government is in the process of liquidating its remaining assets.

Recently, several important uranium deposits were discovered in Cross River State, Adamawa State, Taraba State, Plateau State, Bauchi State, and Kano State by the British Geological Survey.

## MINERAL RESOURCES IN NIGERIA AND LOCATION

### **Abia State**

Capital: Umuahia

Main Towns: Aba, Akwette, Bende, Afikpo, Arochukwu

Points of Interest: National War Museum at Umuahia where relics of the Nigerian civil war and inventions are displayed. Aba - foremost electronics and indigenous technology city. Akwette - Blue River Tourist Village, Uwana Beach Akwette is also famous for its unique weaving industry. Aba Central Market.

Agricultural Resources: Yams, Cassava, Oil Palm, Rubber.

Natural Resources: Oil, Salt

### **Adamawa State**

Capital: Yola

Main Towns: Yola, Jimeta, Numan, Mubi

Agricultural Resources: Guinea Com, Maize, Cattle, Fish, Millet, Cotton.

Points of Interest: Three Sisters Hill - three hills that stand side by side.

### **Akwa Ibom State**

Capital: Uyo

Main Towns: Abak, Eket, Etinan, Ikono, Ikot Abasi, Itu, Oron, Uyo, Ikot Ekpene, Ukanafun.

Natural Resources: Petroleum, Salt, Iron, Coal, Gold, Clay, Limestone, Laterite and Gravel.

Agricultural Resources: Largest Palm Forest in Nigeria

Points of Interest: Ibeno famous for yatching and swimming, Oron Museum - collection of finest carvings in Africa, Opobo Boatyard. Natural sand beaches at Ikot Abasi.

### **Anambra State**

Capital: Awka

Main Towns: Onitsha, Awka, Njikoka, Amawbia

Natural Resources: Iron Ore, Limestone, Coal Fine Clay, Marble and Silica Sand, Lead, Zinc, Petroleum and Natural Gas.

Agricultural Resources: Cocoa, Palm Oil, Maize, Rice, Cassava.

Points of Interest: Ijele masquerade from Aguleri, Omaba festival, Yearly yam festival, Odinani Museum at Nri. Anambra State is historically known for great craftsmanship, The River Niger with the famous Niger bridge links the bustling commercial town of Onitsha with ports at Port Harcourt, Burutu and Warri in Delta State.

### **Bauchi State**

Capital: Bauchi

Main Towns: Bauchi, Gombe, Azara, Misau, Jama'are, Ningi, Billiri, Dass.

Natural Resources: Columbite, Gold, Cassiterite, Coal, Limestone, Iron Ore, Antimony, Marble,

Agricultural Resources: Millet, Coffee, Cotton, Guinea Corn, Maize, Yams, Tomatoes.

Points of Interest: Yankari Game Reserve with warm spring at Wikki Lame Burra Game Reserve, Tomb of Late Alhaji Abubakar Tafawa Balewa, first Prime Minister of the Federation.

### **Benue State**

Capital: Makurdi

Main Towns: Gboko, Katsina\_Ala, Otukp, Ida, Dekina, Ankpa, Aliade, Vaneikya.

Natural Resources: Coal, Limestone, Petroleum, Tin, Columbite.

Agricultural Resources: Coffee, Rice milling, Seed crushing for oil.

Points of Interest: Enchanting scenic view of the Rivers Niger and Benue confluence. Ushango Hills. Enemibia Falls, Kwaghir theatrical display, Ingongh Dance, Alekwu masquerade Ogagany Dance, Pleasant beaches, numerous fishing festivals.

### **Borno State**

Capital: Maiduguri

Main Towns: Borno, Bade, Fika, Biu, DGwoza, Nguru, Geidam, Gas, Konduga, Monguno, Potiskum, Bama.

Natural Resources: Clay

Agricultural Resources: Tomatoes, Carrots, pepper Isorghum.

Points of Interest: Kyarimi Park in Maiduguri - sightseeing for animal and bird lovers, Shehu of Borno's Palace, Lake Chad, Sambisa Game Reserve, Fishing festival at Gahsua (Usur) Ngeji Warm Springs. Leather tanning & ornamental leather work.

### **Cross River State**

Capital: Calabar

Main Towns: Akampa, Ikom, Obubra, Odukpani, Ogoja, Ugep.

Agricultural Resources: Cross River is extremely rich in fish production - major commercial species of fish include shrimps, croakers, catfish, the bonga and shark.

Points of Interest: Obudu Cattle Ranch. Agboin Falls and Kw Falls near Oban. Game Reserve at Okwangwo in Obudu local government and Boshi Game Reserve.

### **Delta State**

Main Towns: Warri, Sapele, Ughelli, Effurun, Forcados, Ozoro, Orerokpe, Agbor.

Major Ports: Warri, Koko, Burutu, Forcados handle a substantial part of the nation's trade.

Agricultural Resources: Rubber Crude Oil, Plywood, Timber.

Points of Interest: Sandy beaches of Asaba Koko Port Ajagbodudu, Olu's Palace. ATP Timber and Plywood Factory at Sapele



### **Ebonyi State**

Capital: Abakiliki

Main Towns: Abakiliki, Afikpo, Izzamgbo, Iboko, Aba Omege, Okposi, Uburu, Edda, Onueke

Natural Resources: Cement, lead, zinc, salt

Agricultural Resources: Rice, Yam, Groundnut

Points of Interest: Ganymede Chapel is the historical site where the first governor of the Eastern Region was buried. Nkalagu cement factory, Modotel, Ebonyi Hotel, modern golf course. Abakiliki was one of the oldest towns in the Eastern Region that displayed annual agricultural shows through the initiative of Dr. M. Okpara.

### **Edo State**

Capital: Benin City

Main Towns: Agbor, Ubiaja, Uromi, Auchi, Ekpoma, Sabongida-Ora.

Agricultural Resources: Produces about 80% of country's Rubber and Crepe. Timber, Palm Produce, Cocoa.

Points of Interest: Royal Palace at Benin, Benin Museum, Benin Moat, Emotan Statue, Somorika hills, Udo Tourist Centre, Benin is famous for its unique bronze, brass, ivory works of art.

### **Enugu State**

Capital: Enugu

Main Towns: Abakiliki, Nsukka, Oji River.

Agricultural Resources: Rice, Yam, Cashew Nuts, Cassava.

Natural Resources: Coal, Lead, Limestone, Gypsum.

Points of Interest: Miliken Hill, Nike Lake, Iva Valley Coal Mines.

### **Imo State**

Capital: Owerri

Main Town: Okigwe, Orlu, Oguta, Afikpo.

Natural Resources: Lead, Zinc, White Clay, Natural Gas, Limestone, Salt. Imo State is a major oil producing state.

Agricultural Resources: Cassava, Oil Palm, Rubber, Cocoa, Rice, Maize, Yam.

Points of Interest: Oguta Lake Holiday Resort with its sand beaches. The Rolling Hills of Okigwe. Amusement Park at Owerri. The Nekede Botanical Zoological Gardens. The Palm Beaches Tourist Village at Awomama.

### **Kano State**

Capital: Kano

Main Towns: Dambatta, Bumel, Gwarzo, Hadejia, Karaye, Kano, Ririwan. Kano is one of the ancient Hausa Kingdoms where custom and tradition still play important roles in the life of local communities.

Natural Resources: Tin, Columbite, Cassiterite.

Agricultural Resources: Wheat Groundnut, Cotton, Agriculture is the major economic activity and offers employment to more than 90% of the people. Kano is well recognized as a center for traditional arts and crafts such as leather work, weaving, pottery and wood carving. Exquisite Kano leather works are exported to Europe and North America.

Popular Markets: Kurmi, Sabon-Gari and Kantin-Kwan (all in Kano municipality).

Popular Markets: Kurmi, Sabon-Gari and Kantin-kwan (all in Kano municipality).

Historical Places/Festivals: Emir's Palace, Baturiya Birds Estuary, The Ayanduwa Fishing Festival, Ancient City Walls and Gates first built about 900 years ago. The Gidan Makaman Museum, Koofar Mata Dyeing Pits--believed to be the oldest in Africa, 35 Acre Kano zoological Garden at Gankum Albaba, Kurmi Market. Kazaure Rock Ranges. Famous Tiga Dam.

### **Katsina State**

Capital: Katsina

Main Towns: Daura, Katsina, Dutsin-ma, Malumfashi, Funtua, Manikankia, Kankari, Batsari, Mastu, Bakori, Jibiya.

Natural Resources: Large deposits of Kaolin and Asbestos.

Agricultural Resources: Groundnut, Maize, Cotton, Guinea Corn, Rice, Yam, Onions, Tomatoes, Wheat.

Points of Interest: Wall that surrounds Katsina-900 years old with its seven different gates. Emir's Palace in Katsina and Daura. Kusugu well in Daura is of historical importance.

### **Kebbi State**

Capital: Birnin Kebbi

Main Towns: Birnin Kebbi, Gwandu

Natural Resources: Gypsum, marble, and Kaolin

Agricultural Resources: Millet, wheat and Guinea Corn

Points of Interest: Argungu Fishing Festival - a major international event featuring regatta, cultural dances, agricultural air, drama, motor rally and archery competition. Kanta Museum in Argungu is also a tourist attraction in this state. Famous for traditional arts and crafts, beads, words, glassware.

### **Kogi State**

Capital: Lokoja

Main Towns: Okene, Kabba, Lokoja

Natural Resources: Iron ore, marble

Points of Interest: Old buildings used by the Royal Niger Company when it had a royal charter over Nigeria. The Iron of Liberty-located in the compound of the first primary school in Northern Nigeria. Kogi State is also famous for "the Okene" cloth, woven with rich thread into exquisite styles of varying colours. The confluence of Rivers Niger and Benue at Lokoja, Borgu Game Reserve.

Important Festival: Ekuechi festival of the Ebirras.

### **Kwara State**

Capital: Ilorin

Main Towns: Jebba, New Bussa, (Kainji), Offa, Oro, Orru-Aran, Ajase-Ipo, Obange, Bode-Sa'adu, Esie.

Natural Resources: Coal, Limestone, Marble, Iron, Ore, Feldspar, Clay, Tin, Talc, Gold.

Agricultural Resources: Cotton, Coffee, Cocoa, Kolanut, Tobacco leaves, Berniseed, Palm Produce.

Points of Interest: Esie Stone Image at Esie Kudn Igbomina-Ekiti area of the state. Kwara State has two of the largest dams, namely, the Kainji and Jebba, major sources of hydro-electric power for the country. Mungo Park Monument at Jebba.

## **Lagos State**

Capital: Ikeja

Main Towns: Ikorodu, Epe, Badagry, Lagos, Mushin, Oshodi, Shomolu.

About 60 percent of the total industrial investment in Nigeria is in Lagos State and 65 percent in Nigeria's commercial activities also take place in the State. It hosts the nation's two largest seaports-Apapa and Tin Can Island. There are more than 2,000 industries of various sizes and description in Lagos State.

Points of Interest: Seaside attraction and resorts at Bar Beach, Victoria Island, Badagry, Lekki Peninsula. National Museum which houses important relics such as the traditional Benin Bronzes and the replica of the Festac '77 symbol.

Important Festivals: Eyo Masquerade, held to celebrate memorable occasions of the death of an important person, especially a distinguished member of the royal family.

## **Niger State**

Capital: Minna

Main Towns: Bida, Kontagora, Agaie, Kuta, Lapai, Padogari, Mokwa, Zungeri, Wushishi.

Natural Resources: Rice, Maize, Sorghum, Groundnuts, Millet, Sheanut, Beans, Soya, Cotton. Niger state is well-known for arts and culture, including hand made pottery, glass beads, bangles, mat making, brass works, embroidery and dyeing.

Points of Interest: Guara Falls in Boru Village, Zuguma Park, Zuguma, Shiror Hydroelectric Dam, Mungo Park's Cenotaph

## **Ogun State**

Capital: Abeokuta

Main Towns: Aiyetoro, Ijebu-Igbo, Ijebu-Ode Ilaro, Odeda, Ogbere, Ota, Owode, Sagamu, Idogo, Iperu.

Natural Resources: Large deposits of Limestone, Chalk, Phosphate, Clay, Kaoline, Stones.

Agricultural Resources: Cocoa, Rubber, Timber, Kolanuts.

Points of Interest: Oba's Palace at Ake, built in 1854 as the official residence of the Alake, the traditional ruler of Egbaland, is noted for its heavy concentration of antiquities and relics. The Centenary hall at Abeokuta, Birikisu Sugbo Shrine in Ijebu-Ode. Olumo Rock.

Important Festivals: Agemo, Obinrin Ojowu, Egungun, Oro, Igunnuko Masquerades.

## **Ondo State**

Capital: Akure

Main Towns: Ado-Ekiti, Ondo, Ikere-Ebkiti, Ilawe-Ekiti, Owo, Efon-Alaaye, Oko-Akoko, Ikare-Akoko, Ise-Ekiti.

Agricultural Resources: Ondo State is the leading Cocoa producing area in Nigeria.

Points of Interest: National Museum at Owo which houses the wood and ivory carvings, brass and bronze works, excavated at Egbarin Estate, Owo in 1971, Ikogosi Warm Spring, Idanre Hills Igbokodo Water Front, Ipole-Iloro Water falls, Oko Marie Hills at Oka-Akoko, Ebomi Lake at Epinmi-Akoko, Aiyetoro Holy Apostle Community.

## **Oshun State**

Capital: Oshogbo

Main Towns: Ile-Ife, Ede, Ilesha, Ejigbo, Iwo, Igbajo.

Agricultural Resources: Cocoa, Coffee, Soybeans, Kola-nuts, Tobacco.

Natural Resources: Marble, Tin Columbite.

Points of Interest: Oshun Shrine at Oshogbo, Opa Oranmiyan at Ile-Ife, Places of Owa Obokun in Ilesha and the Oni, Ife City Walls at Ile-Ife.

### **Oyo State**

Capital: Ibadan

Main Towns: Ogbomosho, Oyo, Isyin, Saki, Eruwa, Fiti. Ibadan, the state capital is the largest indigenous city in Africa, south of the Sahara with a population of about 1.4 million.

Mineral Resources: Tin, Gold, Columbite and Marble exist in commercial quantities.

Agricultural Resources: Tobacco, Cocoa, Palm Produce, Beans, Platain, Cassava, Maize, Kolanuts.

Points of Interest: Ibadan university Zoo, Agodi Zoological Garden, Mbari ARts Center.

Traditional Festivals: Egungun, Ode-Ibadan

### **Plateau State**

Capital: Jos

Main Towns: Akwanga, Awe, Bukuru, Barkin Ladi, Keffi, Lafia, Langtang, Nassarawa, Pankshin, Shendam, Von.

Natural Resources: Jos is the cradle of Tin mining operations on the Jos Plateau.

Agricultural Resources: The State has unique and beautiful climate that is conducive for the production of many crops and livestock varieties that flourish in both tropical and temperate environment, for example cotton, groundnuts, rice, Irish potatoes, maize, soyabean.

Points of Interest: Plateau state has a very rich cultural heritage. The Nok culture one of the earliest iron smelting cultures dating between 500 BC and AD 200 is associated with the area. The National Museum at Jos, the oldest in the country. Museum of Traditional Nigerian Architecture, containing various architectural designs of major Nigerian ethnic groups. Jos wildlife Safari Park, Zoological Gardens. Asop Falls, Kura alls, Wase Rock, Kerang volcanic Mountain where the population Swan brand spring water is produced Shere Hills.

### **Rivers State**

Capital: Port Harcourt

Main Towns: Bonny, Bori, Ahoada, Town Brass, Buguma, Yenagoa, Abonema, Akassa, Okrika, Degema.

Natural Resources: Crude Oil, Natural Gas

Agricultural Resources: Oil Plam, Citrus fruits, Coconut, Banana, Cassava.

Points of Interest: Isaac Boro Park, the zoo which as a wide variety of animals, Nigeria's first petroleum refinery at Eleso Elema,

Water Glass Boatyard. Isaka Holiday Cruise Island, Oil well at Oloibiri.

The Riverine town of Bonny with the beautiful Finima Beach. Monument of King Jaja of Opobo and the relics of the Akassa raid of 1859. Slave transit hall at Akassa. The Ogidi Shrine at Nembe.

### **Sokoto State**

Capital: Sokoto

Main Towns: Gusau, Yelwa, Gwandu. Sokoto is a major centre of Islamic scholarship in Nigeria.

Mineral Resources: gold, Clay, Kaolin,  
Gypsum, Salt, Marble, Granite, Flippers and Limestone.  
Agricultural Resources: wheat, Maize, Millet,  
Guinea Corn, Rice, Beans, Groundnut, Cotton, Sugarcane,

Tobacco. Livestock production is a major activity in Sokoto State.

Points of Interest: Sokoto State has a rich history of culture and traditional festivals as well as many sites of historical or religious value which are of abiding interest to both scholars and tourists. Dyeing or clothes - Fulani attires and wrapper known as "Wagambari," Famous Moroccan leather products of trans - Saharan trade era has its roots in Sokoto. The museum, Emir's palace, Gibadi Rocks ancient fossils that are believed could provide a clue to the origin of the tomb of Usman Dan Fodio.

### **Taraba State**

Capital Jalingo, Gembu, Takum

Main Towns: Gembu, Takum

Agricultural Resources: It has soothing temperate climate with a rich vegetation that not only caters for herds of cattle but also grows a very popular and unique tea which is now being processed for export because of the richness of the flavour.

Points of Interest: Enchanting Mamilla Plateau

Gashaka and Karimbela Game Reserves present and alluring scenery to tourists and visitors.

### **Yobe State**

Capital: Damaturu

Main Towns: Potiskum Nguru.

Agricultural Resources: Millet, wheat.

Points of Interest: Biu Plateau which has a very conducive tourist weather condition.